

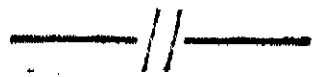


**A SYMPOSIUM  
ON  
SOCIAL ORDER**

**SILVER JUBILEE MEMORIAL  
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# INTRODUCTION



## *Needs of the present day*

For some years past we have been nursed with hopes and promises of a New Order which when realised, would make the world a better and happier place to live in. Is it mere wishful thinking? Is it the sincere expression of a set purpose, the contemplated outcome of a definite and practical plan to be achieved, in a spirit of good will and understanding by the joint efforts of the powers that be? That is indeed a consummation fondly to be wished and devoutly to be prayed for. What else does the world sigh for, often these long years of conflict, fear and want but an era of peace, serenity and prosperity? A lasting and fruitful peace on the basis of justice and charity, that is the need of the day. Only if that condition is fulfilled, can we hope to see the world rise from its ruins and enjoy a fresh, healthy and vigorous life.

Are the signs favourable? With such items as the political differences, labour unrest and civil war prominently in the daily news, one feels apprehensive. How can the atmosphere clear up and brighten so long as such stormy elements are unleashed? They must first be eliminated; this can and will be done only if the problems that give rise to these periodical disturbances are solved satisfactorily. It is some comfort that these



problems are being approached in the proper dispositions, "with faith, hope and charity" as Mr. Atlee, describing the statesmen's attitude at the Washington Conference, put it. (The Mail, 12 Nov. 1945). And in another statement Mr. Atlee referred to the ideal of the Brotherhood of man. (The Mail, 15 Nov. 1945). He expressed his emphatic conviction that the survival of our christian civilization depended on "our acceptance and practice in international relations and in national life, of the christian principle that we are all members of one family". These are significant and hopeful words. They echo the message issued time and again from the Vatican. They show that the voice of the Sovereign Pontiff is no longer unheeded, that the solution he offers to the world's problems is worth considering. Many are now agreed in saying that had the warning of Leo XIII been taken seriously fifty years ago, mankind would have been spared many grievous troubles. The evils he then denounced and the remedy he suggested remain as actual as ever. The moral principles that regulate our social and economic life remain unchanged and unchangeable. A closer study and application of them cannot fail to be enlightening and beneficial.

### *The Christian Ideal*

As in all else so in her social doctrine and policy, the Church takes her lead from her Divine Founder. True Christ's mission on earth was above all spiritual, being primarily concerned with the service of God and

the salvation of souls. His object is beautifully expressed in the petitions of the Lord's Prayer. "Hallowed be Thy name. Thy kingdom come. Thy will be done on earth" In the Jewish conception the Messianic stood for temporal power and prosperity. Christ had to correct this view and transfer the emphasis to the spiritual side. "Seek ye first the kingdom of God and its Justice. (Math. VI, 33) But he is not indifferent to man's temporal needs. He bids us pray for our daily bread, for deliverance from evil. And his heart went out to the needy, the sick, the afflicted: "He went about doing good."

His social teaching is summed up in two pregnant instructions "Render to Caesar the things that are Caesar's, and to God the things that are God's." (Math. XXII, 21)—The law of justice. "Thou shalt love the Lord thy God with all thy heart.....and thou shalt love thy neighbour as thyself" (Math. XXII, 37—39)—The law of Charity.

The Church's action and doctrine reflect the example and guidance of the Master. Throughout the ages she has been the fearless champion of justice and a ministering angel of mercy. From the Apostolic times onward the care of the sick, the poor, the widows and orphans was one of her most cherished ministrations. She worked for the abolition of slavery; she tamed the barbarians, opposed the oppressor and the usurer stemmed the Ottoman onslaught, redeemed the captives and carried the christian civilisation into many distant

lands. To mitigate the horrors of war she instituted the "Truce of God" and advocated the settlement of differences by arbitration.

By her example and teaching she raised the dignity of labour in the estimation of men and improved the condition of the serfs. She encouraged the arts and crafts and took the guilds under her patronage. As in the dark ages the monks taught the barbarians the arts of peace so when the new continents were discovered the missionaries followed the Spanish colonists to extend to the savage tribes the benefits of christian civilisation and christian charity. The Reductions of Paraguay and other South American settlements were models of collective farms and cooperative societies, run on humanitarian lines and 'catering for the needs and amenities of the Indian settlers. Thus did the Church provide for both the temporal and spiritual interests of her children while leading them to their eternal destiny. She saw to it by works of charity and mercy that the hardships and the sufferings of this life of probation were greatly mitigated and the bodily needs provided for. "Seek ye," Christ had said, "first the kingdom of heaven and these other things shall be added unto you" (Math. VI, 33) The priority of the claims of God and Christian morality, subordination of the temporal to the eternal, with all trust in God, whose fatherly Providence ruled the world, these were the factors that constituted the christian outlook on life. So long as this outlook was maintained, things might go wrong—

as they are apt to go wrong in an imperfect world—but they could be mended and the proper order restored.

### *The great Social Encyclicals*

There came a time when the christian outlook was rudely challenged and a danger worse than the ottoman invasion threatened to engulf the christian civilisation. Modern discoveries and the widespread use of machinery revolutionised production. Competition ran amuck; industry became controlled and the market came to be monopolised by big business. As a result fabulous wealth accumulated in the hands of a few and crushing poverty was the wretched lot of the many. The condition of the working classes grew intolerable. Crying abuses like the sweating system, the work house were rampant. The slums were hotbeds of disease and social discontent.

Marxism offered a solution that was worse than the evil it intended to heal. It advocated the abolition of private property and the nationalisation of all the sources of production. The result was bitter class war and violent revolution in the offing. It was then that Pope Leo XIII issued his epoch-making encyclical on the Condition of the Working Classes, in which he boldly denounced the evils of the day, the errors and the pitfall of Economic Liberalism and Socialism and set forth the principles of a sound and equitable Social Order, as designed by God the Creator and hedged in

by the Ten Commandments. Man was not a mere pawn in the chess-board; he was not a glorified gorilla. The law that ruled human beings, was not the law of the jungle, where might is right, where the weakling goes under and the fittest survives. Any system that ignored man's personal dignity, his essential function on earth and his eternal destiny, was unsound: any social edifice not based on the rockbed of justice and charity was built on sand and was doomed to destruction.

The merit of the Pontifical document lay on this that it not only proclaimed anew and with startling emphasis the basic principles of christian morality and vindicated the inviolable rights and just claims of the working classes but honestly tackled the social and economic problems and paved the way for a satisfactory solution. He supplied the framework, leaving it to technicians and economic experts to fill in the details.

Few Papal pronouncements caused such a stir and produced such far reaching results. While the workers hailed Pope Leo's letter as their Magna Charta, employers, statesmen and social workers sat pouring over it studying its implications and conclusions. A vast literature grew around it. Study Circles made it the theme of their discussions and research. Every aspect of the problem and the solution was critically examined, applauded or opposed. Wild enthusiasm



there might be or opposition, but of apathy there could be none.

Nor was the interest aroused by the momentous message merely theoretical: constructive schemes were set afoot: the most glaring injustices were done away with; more humane labour conditions were introduced in many factories and workshops. Not only was the scale of wages revised but appreciable facilities and amenities were provided such as housing and buying facilities, medical attendance and nursing, schools for the children, clubs and reading rooms for the men, games and outings and the like. Some catholic employers set the example of these improvements, but the sense of justice and the spirit of benevolence that dictated them spread farther afield and affected non-catholic circles as well. Notably better indeed are the conditions of the present day worker compared with those that obtained at the time when the voice of the Sovereign Pontiff rang out in vehement protest and addressed to the world his pathetic appeal for justice and charity.

The Catholic social doctrine so masterfully interpreted by Pope Leo XIII and underlined and supplemented by Pope Pius XI, has lost none of its actuality. Rather with the red menace spreading more and more, with Communism making an ostensible bid for the world domination it is of the highest importance that Catholics should take the field and oppose the progress

of the communistic propaganda. It would be tragic indeed if the workers were to be deluded by false visions of power and happiness if besides surrendering their freedom to a few crafty leaders and forfeiting their inalienable natural rights, they were to be robbed also of the blessings of religion and of the promise of true happiness in the life to come. For, such is godless Communism and such its baneful goal.

### *The need of Social Apostles*

If then it is essential to improve the lot of the working classes, if the Church is anxious to secure zealous and enterprising social workers, she no less appeals for social apostles. And these she would preferably enlist from among the workers themselves. For she believes in the apostolate of the like by the like. Nor has her appeal fallen in deaf ears. Witness the JOC (*jeunesse ouvrier catholique*) and JAC (*jeunesse agricole catholique*), flourishing associations of young workers on the land or in factory, grouped together in powerful units and constituted into a federation that embraces several countries. It already has done much to uphold religion and the morality in the workshop and in the factories. The members meet in their thousands; they hold celebrations, they file along in glorious processions. Why indeed should the hammer and sickle figure only on the Red Banner? These tools are used by Catholic workers. It is an old and popular custom, dating from the medieval times, that they should be brought to church to be blessed on certain feast days.

Why should the godless alone parade in the street and shout slogans? Why should not the God-fearing, too, march past in martial array and make an open profession of their Faith and allegiance to God? "All glory to God, the Supreme Worker, whose mighty hand sustains the universe, without Whom no thought is conceived, no finger moves. All power and royalty to Christ, the son of the carpenter, the worker's Friend." In such terms do they formulate their christian belief and loyalty.

And their action is all the more effective because in addition to strong religious convictions they can boast of a fair grounding in Sociology. They are instructed on the Catholic view point on the burning questions of the day; they are trained to answer objections. Coming from them, the explanations meet with ready acceptance. Whereas talks and lectures by priests would be apt to arouse suspicions and mistrust.

Hence the Popes' repeated appeals for lay apostles, especially among the young who may easily be influenced one way or another. Hence their insistence on Catholic organizations imbued with the spirit of Christ and intent on leavening society with christian ideas and practices. Only by the widest possible dissemination of the Social Reign of Christ can we hope for a measure of realisation of the christian ideal of the Brotherhood of man under the Fatherhood of God.



## *The Symposium*

It is with a view to spread sound social knowledge that the following pages have been contributed. They form a symposium in which the most important aspects of the social and economic questions are treated in the light of the latest findings of experts and specialists. Coming from the pen of writers who have devoted much time and thought to the subject, the articles will be of particular interest and profit not only to the students of Sociology, but to the public at large.

In India there is ample scope for social work. Untouchability is not the only evil that mars the Indian Society. Improvidence and an inveterate bias for litigation all too prevalently make the money-lender's opportunity. The insanitary condition of the villages favours the spread of disease and epidemics. Unemployment, the Beggar Question, the growing incidence of leprosy are causing serious anxiety. The condition of the ryots demands urgent reform. What steps have been taken to remedy the social evils, have proved hopelessly inadequate.

These problems call for a keener interest and more effective measures than have hitherto been taken. The C. B. C. I. has opened a Section on Social Work, whose task it will be to devise means and ways of bettering the present situation. It would be deplorable if all social improvements should bear the hall-mark

which wages can be increased must be exploited and combined, if we are to obtain our goal :

(a) Improved methods of production and elimination of waste to raise the amount of the surplus product.

(b) Proper relationship between wages and prices to increase the *economic value* of the surplus product, and consequently, of labour.

(c) Less payment to capital to secure an *adequate share* of the surplus product for the labourer.

Our aim would be substantially realized, if not altogether, if these means were properly explored and co-ordinated.

(ad a) The first method is obvious and does not require further comment, except that mere planning is no solution. A planned economy makes mistakes of its own which are equally wasteful. A happy blending of freedom and planning is required.

(ad b) As regards increasing the economic value of the surplus product, very much can be achieved by stabilizing prices between a minimum and a maximum—at least for all basic consumption goods; and by regulating the supply of credit in accordance with the general welfare.

In our capitalist system goods are produced for sale only. When production goes beyond effective demand prices fall sharply, production is cut down, workers are shut out, and we behold the amazing spectacle that many people cannot obtain the basic necessities of life because we produced too much of it!

of Communistic organizations. Catholic Action organizations should not be behind them. Social work figures in their programme and should engage their best endeavour. For the Clergy, too, the matter is becoming increasingly absorbing, not merely as an academic subject, and branch of study but as part and parcel of parish administration.

The present Memorial Volume comes at the opportune time when precisely public attention is centred on the social and economic problems. More especially welcome should it be to those, who by their position come in daily contact with the poor, the toilers and the wage-earners, who understand and feel for them, in their hardships and would fain see them alleviated and remedied.

May God's blessing accompany it on its mission of enlightenment and good will.

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*Bishop of Madura.*



# MARXIAN COMMUNISM

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When the historian of civilisation records the achievements of our age, future generations will read the story of the annihilation of the real, free-choosing individual by social forms and theories. They will learn of the Proletarian Man of Scientific Socialism and of the Robot Man of the Totalitarian States. The story of the former goes back to the last century, when Karl Marx (1818—1883) transformed the Economic Man of the factory system and Capitalism into the Modern Proletarian Man. Marx certainly gave the proletariat of his day a voice that was heard, and Marx's own claim to notoriety lies in his remarkable synthesis of German philosophy, French sociology and English Economics of his times. The lure of the Marxian Utopia must not be sought for in its elevation of the poor, its intellectual appeal, its struggle for justice, or its concern for the peace and harmony of the human race. Marxism is potent because of its appeal to the primitive individualism of the victim of social injustice and disorder. It gives him a burning sense of a personal grievance against the existing order which deprives him of the very dignity of a human being.

## I. *Dialectical Materialism*

Marxian philosophical pretensions are extremely difficult to understand without some knowledge of the

soil in which the roots of Marxism were set and the atmosphere in which it grew. Rationalism, the system of thought that postulates independent human reason as the primary and unique source of all knowledge, had reached its flood tide, and man's independent judgment was made the infallible guide in discovering all truth and reality. On the one hand, German Idealism declared that matter and the whole universe with its events and phenomena are reducible to a set of conceptual or separate abstract categories: space, time, matter and motion. On the other, such fantastic views of the Idealists, naturally enough provoked an inevitable reaction and resulted in the opposite extreme of outspoken Materialism. Men turned their whole energy to the investigation of 'Nature', and the Materialists reduced everything to matter and energy and attempted to explain every kind of reality by the mechanical action of physical laws. The brilliant success of the natural sciences, moreover, helped the cause of Materialism, and scientific investigation became the sole test of all reality. Such, in brief, was the intellectual atmosphere which made the emergence of Dialectical Materialism possible.

Hegel's theory of—the dialectical method of thought is claimed as the immediate background of Marx's philosophical tendencies. This system of logic has not inaptly been described as 'the philosophy of Becoming' or 'the philosophy of constant flux and variation'. This is, in fact, the meaning of the term 'dialectical' as applied to Hegel's logic, for, as in a dialectical disputation, argument is opposed to argument, and from the clash of opposites a new attitude of the mind, or a new

intellectual position arises, so also according to Hegel's dialectic the progress of ideas (thought) is accomplished by means of contradictions, till ultimately the highest and richest expression is reached and expressed in an Absolute Idea. This Idea enshrines all truth and reality. This dialectical method comprises three stages: the initial position, or the *thesis*; the negation of the thesis, or the *antithesis*; and, finally, the negation of the negation or the *synthesis*. Thus, for example, if we start with 'ignorance' (thesis) we see that when this state of mind becomes conscious, ignorance tends to change to 'non-ignorance' (antithesis); finally, with the definite development of knowledge we reach the stage of 'science' (synthesis).

What does the transition, in the Hegelian dialectic, from one stage to another, from thesis to antithesis, imply? It implies nothing more than the elimination of the contradiction existing between the two stages and ipso facto, the advance or movement of the process towards a truer realisation of the Absolute Idea. In other words, Hegel's process is governed by a strict logical necessity, for the realisation of the synthesis or the final stage, which is at the same time the realisation of the Absolute Idea, involves the conflict between the partial or isolated ideas at the different stages of the process. Each stage forward is therefore not a suppression of the partial idea, but its elevation, its advance towards the Absolute Idea. Hence, the synthesis or the final stage, which is the highest expression of thought, does not destroy the content of the idea at any previous stage of the process, but only integrates it into the true



and final reality which is achieved with the synthesis. Indeed, according to Hegel, the destruction of the partial idea—that is, the idea at the thesis or antithesis stage—would render the dialectical process impossible. Thus science is born of the activity of conscious ignorance, just as the motion of a boat is made possible by the resistance offered to the oars by the current in the river.

The driving force of Hegelian dialectics is therefore posited in the activity of the Absolute Idea which 'realizes itself' by means of a triadic process. This highly idealistic nature of Hegel's method becomes still more evident when we remember that according to him 'Nature' itself is but a reflection of the Absolute Idea in its exteriorized form and since there exists a necessary logical unity between the development of thought and the development of Nature, the latter must, of necessity, follow a dialectical process. Hegel believed that the development of Nature was not in a straight line, but, so to speak, in spirals and jumps, in the logical sequence of thesis, antithesis and synthesis.

That Marx should have been fascinated by Hegel's dialectical method is perfectly intelligible. The development of movement or motion along the principle of contradiction, or the conflict of opposites and the inevitable final synthesis which Hegel elaborated and applied with equal rigidity to the movement of thought, nature and the world appeared to Marx, who was immersed in the changing social conditions of the industrial Revolution, as a striking confirmation of the reality before his



eyes. The path to progress was evidently the path of the conflict and only through revolution could mankind realize itself. The Marxist philosopher, G. Plekhanov, writes:

“Marx and Engels whole-heartedly adopted this dialectical view of Hegel's as to the inevitability of jumps in the process of evolution” (*Fundamental Problems of Marxism*, p. 28)

But Hegel's dialectic is idealistic, and therefore positively meaningless to the materialist Marx, who was convinced of the driving power of economics and material environment. In the preface to the second German edition of *Das Kapital*, Marx writes:

‘For Hegel the thought process (which he actually transforms into an independent subject, giving to it the name of idea) is the demiurge (Creator) of the real and for him the real is only the outward manifestation of the idea. In my view, on the other hand, the Idea is nothing other than the material when it has been transformed and translated inside the human head...in Hegel's writings dialectic stands on its head. You must turn it right way up again if you want to discover the rational kernel that is hidden away in the wrappings of mystification’.

What did Marx mean by turning Hegel's dialectic ‘right way up’? Hegel's dialectical method, as far as the evolution of Nature is concerned rests on the principle that the Absolute Idea, the Supreme Reality ‘is projected into the world,’ that is to say, the world only mirrors the Idea; and since the Idea evolves by means of contradictions or dialectically, the evolution of the world and Nature necessarily follows a dialectical process. Marx, on the contrary, by setting Hegel's dialectic ‘right way up’, held that the material world and its economic conditions project themselves into the mind and thus create the

*Idea or Thought.* In other words, while Hegel believed that thought and the laws of thought were prior to the world and its economic conditions, Marx claimed that economic conditions and the evolution of social progress were prior to thought. G. Plekhanov rightly remarks:

‘According to Hegel the march of things is determined by the march of ideas; according to us, the march of ideas is explained by the march of things, the march of thought by the march of life’ (*Ob. cit.* p. 119).

But if Marx’s contention is right, can he still claim that the laws of Hegel’s dialectic are reproduced in the Marxian theory of social evolution? If the material conditions of and social relations in human society determine and create all thought, the laws of the movement of social development must necessarily be prior to the laws of thought, and not derived from them, as Hegel claims—a claim essential to the understanding of the Hegelian dialectic of Nature. What, therefore, is Marx’s principles—if such a principle exists—from which he draws the laws of his dialectic of Nature, for according to him the dialectic of Nature, comes first in the order of time and even determines the nature of the development of thought? To this question we shall return later; for the present it is most important to stress Marx’s teaching on the priority of Nature or matter to thought in *Anti-Duhring*, Engels writes:

‘Logical Schemata can only relate to forms of thought, but what we are dealing with here are only forms of *being*, of the external world, and these forms, can never be created and derived by thought out of itself, but only from the external world’. (*Part, I. Philosophy: Classification. A Priorism*).

Discussing the materialist conception of history in the same work, he writes :

‘ According to this conception, the ultimate causes of all social changes and political revolutions are to be sought, not in the minds of men, in their increasing insight into external truth and justice, but in the changes in the mode of production and exchange ; they are to be sought not in the *philosophy* but in the *economics* of the epoch.’ (*Part III, Socialism : Theoretical*).

This principle of the movement and development of ideas as explained and determined by the movement and development of things and the changes of external material conditions, is the very core of Marxian Materialism, and distinguishes it from that of the passive type of the earlier materialistic school. Marx himself tells us that :

‘ the chief defect of all hitherto existing materialism, that of Feuerbach included, is that the object, reality, sensuousness, is conceived only in the form of the *object* or *contemplation*, but, not as a *human sensuous activity, practice* not subjectively. Thus it happened that the active side, in opposition to materialism, was developed by idealism but only abstractly, since, of course, idealism does not know real sensuous activity as such’. (*Theses on Feuerbach, I*).

There is need for a fuller analysis than has yet been made of the debt of Marxian Materialism to Ludwig Feuerbach ; for the purpose of our study it must suffice to say that Marxian Materialism assumed specific shape and character when Marx substituted his own economic foundation or economic absolute for the so-called geographical foundation of human society as postulated by Feuerbach when he wrote :

'The road which the history of man follows is obviously predetermined, for man follows the road of nature as water runs in its channel.....How could man, primitively, have originated from anything else than nature? Men who adapt themselves to any kind of nature, are the offspring of nature, which, for its part, will not tolerate extremes'. (Posthumous Aphorism of Feuerbach, in Grun's *L. Feuerbach*, Vol. II, p. 330).

Marx not only gave greater precision to Feuerbach's Materialism but also, and at the same time, made it active. That is to say, Marx not only granted that man is 'the offspring of nature' but went on to affirm that the individual is 'the *ensemble* of social relations', which being themselves in constant motion or progress create and change the thoughts and ideas of the individual and determine human life and social evolution. In his Preface to *A contribution to the Critique of Political Economy*, Marx writes :

'The mode of production of the material means of life determines, in general, the social, political and intellectual processes of life...With the change in the economic foundation, the whole gigantic 'superstructure' is more or less rapidly transformed. In considering such transformations we must always distinguish between the material changes in the economic conditions of production,.....and the legal political, religious, æsthetic or philosophic, in short, ideological forms, in which human beings become conscious of this conflict and fight it out to an issue.'

This is the New Materialism. Hegel's Idealism is rejected, and Feuerbach's Materialism left behind. In the light of this Materialism, our thoughts and ideas (the intellectual superstructure), which are determined by economic conditions (the material infrastructure), follow a dialectical development corresponding to the stage of development of the modes of production.

The *tour de force* however, involves Dialectical Materialism in a serious contradiction. It attempts to posit human thought and ideas as the mere production of the existing mode of production and therefore incapable to rational and conscious activity, and at the same time postulates rational conscious activity, so that human beings may carry on the conflict and bring 'it to an issue', and thus establish the rule of Scientific Socialism. If the evolution of the material conditions of Society follows a dialectical process in the Hegelian sense, as Marx claims, the product of that evolution, namely, human consciousness, must follow a like process, and reduce itself to an inevitable logical evolution or rational determinism; on the other hand, if our thought and ideas are merely the product of the modes of production, Marxian dialectic cannot escape a rigid economic determinism: ultimately the material infra-structure determines the intellectual super-structure. To borrow a phrase from Engels 'we may turn and twist as much as we like', but under Marx's guidance we always come back to the fundamental absolute, the economic category, the vital urge of all human activity. This is why Marxism is often called a system of 'Monistic Economics', i.e., a system which admits that one kind of explanation, alone is valid, and that every event in the world can be traced back to its economic basis. This hypothesis lies at the root of the materialist conception of history.

Before examining the implications of Marx's application of the dialectical method to human society and its history, a brief recapitulation of the Hegelian and



Marxian dialectic will be useful. Hegel's method is *par excellence*, a theory of the evolution of thought and Nature, but only in so far as Nature is the outward expression or the exteriorized content of thought. Further, the driving power of the dialectic of thought and of Nature—as explained above—is the Absolute Idea. For Hegel, the Idea (thought) 'realizes itself' by means of the dialectical process: thus at the first or 'thesis' stage, the Idea, since it is not the Absolute Idea, is only partially true, partially realized; at the next or 'antithesis' stage, this partial Idea reaches greater perfection and greater unity, till, ultimately, at the final or 'synthesis' stage, the Idea is fully realized. Lastly, for Hegel, the three stages of evolution of thought and of Nature follow each other on a principle of inevitable logical necessity which involves no change in the content of thought. Marx accepts the dialectical method as the evolution of Nature and the world: that is, the evolution of Nature follows a triadic pattern. Next, on the principle that matter is prior to thought, Marx rejects Hegel's attitude which posits the material external world as the content of thought, and instead posits the external world as the creator of thought and the instrument that forges human consciousness. Hence, Marx rejects the laws of thought as the principle from which the dialectic of Nature and the world is derived. Thus Marx rejected Hegel's Idealism. Lastly Marx maintains an *active* materialistic outlook by insisting that, although thoughts and ideas are the creation of modes of production, human thought must create the environment necessary for social progress.

The key position of Marx's great example of applied Materialism by which he attempted to harmonize the science of social development with the tenets of Dialectical Materialism, is occupied by the spontaneous activity of Marx's economic absolute—the activity consequent upon man's struggle to win from Nature the means of his livelihood. The methods employed by man to satisfy his material needs are constantly changing and being improved, and this changing economic organisation, according to Marx, creates new thoughts and ideas or ideologies in human society; hence man, inspired by this new illumination and moved to activity by the vital economic urge, reacts on the modes of production and thereby releases new powers of social progress and development.

For Marx, therefore, given the economic urge as vital and supreme, the earliest or primitive economic organisation expresses the content of a society where the needs of the individual and the community are perfectly satisfied by employing the private property of the labourer as the means of production (*thesis*). 'Before the capitalist era, at least in England,' writes Marx, 'petty industry existed on the basis of the private property of the labourer in his means of production.' He assumes this as the first stage—the 'thesis' of his dialectical process—and goes on to argue that, since modes of production are constantly being improved and changed, 'the capitalist mode of production and appropriation, and hence capitalist private property (*antithesis*), is the first negation of individual private property founded on the labours of the proprietor. But capita-

list production begets, with the inexorability of a law of Nature, its own negation. It is the negation of the negation (*synthesis*). The second or the antithesis stage, which is the capitalist era, moves towards the final synthesis—the negation of the negation—because, according to Marx, the ‘centralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated’.

Obviously the stage of social development which Marx analyses (the capitalist era) is limited to the industrial society which he witnessed in nineteenth century England. The universal validity of this generalization is a mere assumption based on no historical knowledge. In fact, the first stage of his dialectic of society is purely conjectural and the last a pious vision of hope! Marx, of course, was deeply interested in the capitalist era (the antithesis stage), and was therefore, little concerned with the first and last phases of the dialectical process of society; it suited his purpose to assume them both. Mr. E. H. Carr aptly remarks:

‘Marx borrowed without hesitation from the preceding generation of socialists the splendid vision of a golden age in the past from which primeval man had emerged, and a golden age in the future to which socialist men would eventually return’. (*Karl Marx*, p. 81.)

We need not delay over the details concerning the state of primitive society which is loosely termed the pre-capitalist era. We possess no evidence which can



settle beyond doubt the existence or non-existence of communism in primitive society; besides according to Karl Marx, the first or *thesis* stage—the immediate pre-capitalist phase of society of his dialectic—would seem to be not primitive communism, but feudalism. In *Das Kapital* he writes:

‘The economic structure of capitalist society has grown out of the economic structure of feudal society. The dissolution of the latter set free the elements of the former’. (Quoted by E. Burns in *A Handbook of Marxism*, p. 377.)

Moreover, in *Anti Duhring*, Engels traces the rise of the bourgeoisie—the product of capitalism—from the burghers of the feudal period. He writes:

‘The existing social order, as it is now fairly generally admitted, is the creation of the present ruling class, the bourgeoisie. The mode of production peculiar to the bourgeoisie—called since Marx, the capitalist mode of production—was incompatible with the local privileges of birth, as well as with the reciprocal personalities of the feudal system; the bourgeoisie shattered the feudal system, and on its ruins established the bourgeoisie social order, the realm of free competition, freedom of movement, equal rights for commodity owners, and all the other bourgeoisie glories’. (*Op. cit.*, p. 279—280).

An examination of the final or *synthesis* stage, however, throws more light on the nature of the laws which govern Marx’s dialectical process. In a letter to Joseph Weydemeyer, March, 12th 1852, Marx outlines the role of the proletariat during the period of transition from capitalism to communism (i.e. during the realization of the *synthesis*) and characterizes the final phase as ‘a society without classes’. Glimpses

of this apocalyptic vision—the Marxian *synthesis*—are given in greater detail in the *Critique of the Gotha Programme*, where Marx writes:

‘In the higher phases of communist society, after the enslaving subordination of the individual under the division of labour has disappeared,—when, with the development of all the faculties of the individual, the reproductive forces have correspondingly increased, and all the springs of social wealth flow more abundantly,—only then may the limited horizon of capitalist right be left behind entirely, and society inscribe on its banners: ‘From everyone according to his faculties, to everyone according to his need.’ (p. 31).

Given Marx’s initial assumption that the unequal distribution of the forces of production gives rise to social groups and classes, it naturally follows, then, that once this inequality is removed, social classes also disappear, and the classless society emerges. Now in the Marxian dialectic, it is precisely this suppression of inequality that is achieved at the final *synthesis*, and therefore, with it, the realisation of a society without classes.

Whatever might be the prophetic hope or economic obsession that governs Marx’s dialectic, the final *synthesis* does not conform to the laws which determine Hegel’s dialectical development. For Hegel the content of thought is *not suppressed*, but merely elevated and merged into a greater perfection—the *synthesis*. Hence, in strict terms of Hegel’s dialectical laws, the *synthesis* in a social process would require not a suppression of the elements of capitalism (i.e. of the *anti-thesis* period) but a re-arrangement of the forces

of production so as to assure a minimum of sufficiency to every member of society. That is to say, the characteristic elements of capitalism (e. g. private property of productive goods, ownership, relations between capital and labour etc.), would be fused together into a new and superior social order, and this would not necessitate the suppression of class distinctions. In the Marxian hypothesis, on the other hand, since degrees of economic power correspond to social strata, the equalisation of economic power necessarily involves the suppression of classes.

As a product of the nineteenth century, Dialectical Materialism belongs to the organic type of philosophies conditioned by the evolutionary problem of that century; hence the organic nature of Marxian dialectic. In an ingenious attempt to work out a scientific theory of the history of mankind, Marx discovered an economic necessity (the analogy of physical necessity in an organic process) as the driving force and power of social evolution. In fact, from what has been already said of Marxian Materialism, the discovery of an economic necessity is quite comprehensible: Marx defined the central problem of society as a material problem and accepted the supremacy of the economic urge from the tenets of economic liberalism. Ultimately, therefore, the law which governs the dialectic of society, in the Marxian sense, is the same as that which the materialist theory holds as the unique and only source of history—the economic law. On this assumption the factor of logical necessity which determines Hegel's process is replaced by that of economic

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necessity in the Marxian process. This exaggerated importance given to the economic factor in social development was supported by most of the liberal economists of the nineteenth century.

However, besides the fact that 'economic necessity' is only one, and certainly not the most efficient, case of human activity and social progress, it is evident that there is no *necessity*, such as Marx supposes, for human effort to concentrate chiefly on economic needs, once society has reached a point at which the primary material wants of man are satisfied. At this stage the community may enjoy the luxury of leisure, or devote its activity to the development of its cultural and intellectual life. But Marx ignores cultural and intellectual needs and would have us believe that man lives by bread alone, and that the economic factor is always and inevitably the governing factor of social existence.

Some explanation as to how Marx came to formulate his doctrine of social evolution on the principle of economic necessity may be had from the fact, that the volitional and psychical factors, which play so important a role in social evolution, are not susceptible of exact quantitative measurement, and are therefore, useless for the requirements of the rigid formulas of the Marxian scientific method. But this very exigency robs Marxism of all historical reality, renders it a misinterpretation of social progress and fails to do justice to many of the most important aspects of human experience. Indeed, if many a Marxian forecast

has been disproved by the logic of events, this failure may be traced back to the neglect, in the Marxian method, of the part played by non-economic factors in human evolution. As an organic process the dialectic is involved in deep contradiction and is almost worthless. Nor does the gratuitously assumed identity between physical determinism and logical necessity help to solve the contradiction, for in either case the free action of the individual is denied. Dialectical Materialism is therefore inadequate both as an interpretation and an explanation of social development, for it reckons with only one view of human life—the economic.

## II. *Economic Determinism*

The fundamental postulate of social progress and class antagonism, according to Marx, is that the economic factor is the determining element in the evolution of society. While discussing the difference between idealism and materialism in his *German Idealism*, Marx writes:

‘As individuals express their life, so they are. What they are therefore coincides with their production—*what* they produce and *how* they produce. What individuals are therefore depends on the material conditions of their production’. (*E. Burns. Op. cit.*, p. 211)

From this Marx concludes that if the methods of production in society are known, the history of the human race in all details will become intelligible, and

‘in every single instance empirical observation must show the connection of the social and political structure with

production—empirically and without mystification and speculation'. (*Ibid*).

Obviously, a thorough test of Marx's claim could only be made by applying its postulate to the rich details of history. Such an effort is outside the scope of this essay: hence we can but examine the implications of this claim.

Since Marxism borrowed its economics from the nineteenth-century school of English liberal economy, it accepted without question the characteristic concept of that school—the omnipotent economic factor in social development. In fact, Marx's claim, which postulates the entire dependence of social progress on the forces of production (the material infra-structure) and on the acquisitive instinct or economic urge in man, is rooted in the economic experience, as well as in the methodological system of the liberal economists of the England of his time.

To this double source must be traced the incompleteness of the views on which Marx bases his conclusions, and the disappointing confusion he displays between necessary conditions and efficient causes, when he attempts to establish a strict causal relation between modes of production and social development. He was a typical representative of the new industrialism when the factory and large scale industry were modifying the economic structure of society and social relationships. His deep interest in the developing processes of change, and his sympathy for the masses of men whose lives were being swamped by the invading



streams of industrialism, made him incapable of weighing the value of alternative channels of interpretation, or of recognizing the deeper interests of human nature. He traced the change back entirely to the development and evolution of the forces of production. What was, perhaps, partially true of that period of history he assumed to possess universal and unchanging validity, as well as scientific precision.

The struggle of the industrial workers of Marx's England for the satisfaction of primary needs no doubt loomed large in their thoughts. But this does not warrant the conclusion that the human race is determined by the hunger urge alone, or that the changing modes of production create a social evolution which is amenable to scientific interpretation. A scientific view of the world, indeed, has no place for the intuitive or any other foresight of new truth in advance of perception. Its fundamental assumption is that truth is always the same, and is known through perception and memory. But that truth is always the same means that the world is always the same. Change is therefore unreal, or if there is real change, the world is historically knowable and all speculation in distant historical futures is the worst form of gambling!

For Marx, however, the dynamic super-economic elements in society, such elements as falsify all prediction of the future, are perfectly reducible to economic antecedents, and therefore, amenable to scientific study. It is significant that Marx, who

was such an adept in natural determinism, failed to see that, alongside of economic interests and motives, there is a host of other effective factors which influence social progress. Such an admission, however, could not square with his materialism, nor could he admit that the love of power, the herd instinct, rivalry and the desire of gain are hardly less vital in building the social structure than the economic impulses which explain the strength of the material infra-structure. It is remarkable that Marx, who wrote with such superb profundity about the material environment of men's lives, rarely penetrated into the inner substance of those lives, or understood those other human interests--religion, for example--which were outside his sphere of study. Marx merely accepted the teaching of 19th century English economic liberalism, which postulated the attainment of social welfare by the unrestricted activity of the acquisitive or economic instinct. The triumph of the New Industrialism, which he witnessed in the England of his day, appeared to Marx but a concrete realisation of the basic assumption of liberal economy,—the progress of society was being effected by inevitable conflicts, the ultimate cause of which was the expression of the acquisitive instinct.

Now, to explain the evolution or progress of society only in terms of economic factors is to abstract from all other forces and impulses which contribute towards social evolution. Hence this method, which is both essential and helpful to science tends to obscure the concrete realities of human relationships when applied to sociological studies. Unlike physics, in which there

can be no discrepancy between forces and their effects, since the force is 'inferred' from the effect and is always exactly what is required to 'explain' it, in the case of human behaviour there are several sources of information with regard to desire (the analogy of force) and these sources are more or less different in different men. Social ideologies, in fact, can never be referred to any one source.

That is the heart of the paradox! The sources do not tell us the same story, and yet their validity cannot be denied! To explain 'observed' human behaviour in the scientific sense, i.e. to interpret scientifically the content of human desire, throws us back on the causal relation between desire and conduct, and we *know* that the causes do not accurately or closely correspond to the effects. By his method of abstraction Marx disregarded the very complex psychological structure of society and posited the economic urge as the most powerful and irreducible element of social progress. In generalizing the principle that the motive powers, human volition and the process of psychological adaptation, are guided by economic motives alone, he based the concept of human activity on a questionable hedonism. In fact, human desire and satisfaction cannot be accurately measured, and the Economic Man represents the method of the classical economists in meeting this difficulty when attempting to reduce human behaviour to scientific study. This conscious methodological abstraction of our classical economists was assumed by Marx as a concrete doctrine of man and human nature in general. Hence Mr. H. G. Wood writes:

'That abstraction, the economic man, is taken to be real man, the essential man. This mistake of the political economists Karl Marx adopted and developed in Historical Materialism. Most of the so-called "truths" of Marxism turn out, on examination, to be errors of the classical economists so exaggerated as to seem original'—(*The truth and Error of Communism*. p. 68).

The real man, however, is a very different individual, and in his human life combines two different functions. Obviously, human activity is *conditioned* by material environment, but it would be ridiculous to affirm that man's life is *determined* by economic factors. Besides the factor of rational thought, the non-quantitative irrational factors, born of psychological non-adaptation to existing conditions and expressed by effective volitional reaction, are often the most potent elements in shaping social evolution. It is a fact of history that moral and cultural aspirations have played a leading role in influencing mankind. Orthodox Marxism is innocent of any psychology of human interests, precisely because the Marxian automaton is ruled by economic power, and even his volitional reactions may, in the last analysis, be reduced to their economic basis. In positing the antinomy of classes as the result of conflicting interests for the forces of production, Marx justifies his materialism, but only by condemning social units as a collection of individual atoms, struggling to maintain their own interests; atomic men bound to one another by common economic interests, helpless victims of blind impersonal forces against which it is useless to strive and in whom creative effort can never transcend possessive impulses.

It would be futile to deny the power of economic interests in bringing and holding men together; still, as Max Weber and Sombart clearly illustrate, economics is a creation of the human spirit, its quality is determined by that spirit, and its basis is spiritual. Moreover, social groups are not necessarily guided merely by economic interests, and the influence of non-economic factors, such as national character, psychological traits, moral ideals, traditions of various kinds and, above all, religious beliefs are of no small importance in the development of human society. In fact, as Professor F. H. Knight argues:

‘Rigorously speaking, there is no such thing as an economic interest, or material interest. That is, the economic interest is never final; it is an interest in the efficiency of activity, and of the use of the means in promoting the real or final interests of any sort’.—(*The Ethics of Competition*. pp. 314-315).

Engels himself, when Marx was no longer with him to indicate the significance of his recantations, virtually abandoned the crude doctrine of economic determinism. In a letter to J. Bloch, September 21, 1890, he wrote:

‘The production and reproduction of real life constitute *in the last instance* the determining factor of history. Neither Marx nor I ever maintained more.....Marx and I are partly responsible for the fact that at times our disciples have laid more weight upon the economic factor than belongs to it. We were compelled to emphasize its central character in opposition to adversaries who denied it, and there was not always time, place, or occasion to do justice to the other factors of the historical process... Many recent Marxists have certainly turned out an extraordinary kind of nonsense.’



To say this was to surrender the Marxian citadel. As a true scientific dogmatist, Marx understood that human interests, *as* interests, lie outside the realm of science, hence he concentrated on economic motives alone and constructed a scientific theory of human conduct, treating the other interests, or motives as non-existent. But, as is evident, to live on the human plane is to choose. Marx's scientific man knows no choice, and is ruled by dire necessity derived from the very nature of the social categories, expressed by the conflict of bourgeois and proletarian economic interests, and tangibly illustrated by the Labour Theory of Value.

As a system of economic thought the Labour Theory of Value has been relegated by orthodox economists of the museum of economic curiosities. But the 'ethicized' economics of its deduction—the Theory of Surplus Value—needs closer scrutiny for in it lies the apparent strength of the Marxist position. The Communist Manifesto traced the programme of destruction of the whole capitalist fabric at the hands of the outraged proletarians. But one important element was missing. What rational or moral justification was there for condemning bourgeois or capitalistic activities as criminal? In the Theory of Surplus Value, which pretended to explain the exploitation of Labour, Marx thought he discovered what he wanted. One may readily admit that the worker does not always receive a fair proportion of the product of labour, and Marx has eloquently shown that such was the case in 19th



century England. However, the exploitation which is truly blame-worthy and roundly condemned by Marx can neither be reached scientifically nor borrowed from economics, for it implies an ethical premise. The inequality that really hurts is the unequal distribution of dignity, prestige, power and self-expression, which the individual rightly or wrongly judges as his due. Now moral judgements have nothing to do with the Theory of Surplus Value. Moreover, the Marxist indictment of capitalism as the breeding ground of social injustice cannot be deduced from pure economic reasoning. From the view-point of economic values, capitalism is at best but a mode of production, an economic utility, and the success or failure of such an organisation derives from the fact as to whether it succeeds or fails as a want-satisfying machine.

As a principle of action in the interests of Labour, the Theory of Surplus Value is worthless and positively harmful. The exaggerated emphasis it lays on the 'unequal distribution of surplus value' as the sole cause of labour unrest sacrifices the more profound and higher ideals embodied in the Labour Movement. The ideals and aspirations of Labour find their driving force in higher than purely materialistic or economic motives—such as the desire for freedom, the recognition of the human dignity of the worker and of his work and the right of the worker to a social position keeping with his human personality. Marxism, however, does not rise above the material plane, and can at best only realize a self-sufficient economic vampirism

and build a fictitious structure in which human life and interests are not served but reduced to subjection. Hence, any attempt to overthrow capitalism or 'bourgeoisism' on mere material or economic grounds is a betrayal of the worker as a human being and an acceptance of the rule of the bourgeois *spirit* even in the dictatorship of the proletariat.

In the last analysis, Marxism, despite all its contempt of and even hatred for the bourgeoisie, reeks with bourgeois ideals and instincts. Dr. Gurian rightly observes:

'Marxism and therefore Bolshevism, does but voice the secret and unavowed philosophy of the bourgeois society when it regards society and economics as the absolute. It is faithful, likewise to its morality when it seeks to order this absolute, the economic society, in such a way that justice equality and freedom, the original war cries of the bourgeois advance, may be the lot of all'.—(*Bolshevism: Theory and Practice*. p. 237).

By its exaggerated insistence on the economic factor, Marxism emphasizes in men just those impulses which have bred the evils from which our civilisation is seeking release. It creates anew the bourgeois love of gain in the rule of the proletariat. Marx would fain wipe out wrong with wrong; and while he rejoiced at the sight of war among classes drunk with malice and hatred, he confidently hoped that out of the final revolution would emerge the rule of right, justice and fraternity. Yet historical experience eloquently teaches that the progress of civilisation can only be assured by peaceful efforts, and can-

not spring from the postulates of a creed of economic determinism, or from a doctrine founded upon hatred.

### III. *Class Struggle*

From the Marxian theory of economic determinism follows, as a logical corollary and all its naked antagonism, the theory of class-war, the key-note of that hate-inspired programme of revolution, the *Communist Manifesto*, which declares in authoritative tones :

‘The history of all hitherto existing society is the history of class-struggles. Freeman and slave, patrician and plebeian, lord and serf, guild-master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another.’

Forty years later Engels reiterated his conviction of the validity of the theory of class war; in 1891 the Erfurt Programme of the German Social Democrats officially adopted the theory, and in recent times it has become the shibboleth of revolutionary social reformers.

Karl Marx did not discover the conflict of interests in society, as he admits in a letter to J. Weydemeyer, March 12th, 1852. “What I added” writes Marx, “was to prove: 1. that the existence of classes is only bound up with certain historical struggles in the development of production: 2. that the class-struggle necessarily leads to the dictatorship of the proletariat: 3. that this dictatorship is itself only a transition to the ultimate abolition of all classes and to a society without classes.” The Theory of class-

war was a treasure-trove for Marx, it endowed his so-called Scientific Socialism with the dynamics of violent change, and gave expression to his own poignant experience and tragic struggle against the pains of poverty and exile.

For Marx, as for his followers, even in our times the human race is divided into the bourgeoisie and the proletariat: the oppressors and the oppressed! According to the Manifesto.

‘The modern bourgeois has sprouted from the ruins of feudal society,.....has created more massive and more colossal productive forces than have all preceding generations together.....’

The proletariat is

‘a class of labourers who live as long as they find work, and find work as long as their labour increases capital.’

Hence, in Marxian terminology the bourgeoisie would seem to include all landlords, professional men, independent shopkeepers and peasant farmers. The proletariat would comprise wage-earners of urban and industrial centres, who are a chosen people destined by blind forces to inaugurate an era of justice and peace. -M. Berdyæv aptly remarks,

‘The proletariat, in the Marxist sense, is necessarily bitter, envious, vindictive and prone to violence. This is exactly what the communist wants them to be, and their demagogy is directed towards the production of just such a state of soul’.

In keeping with the materialist interpretation of history, these social groups, the bourgeoisie and the

proletariat, are ultimately economic groups differentiated from each other by their specific economic structure.

What, according to Marx, is at the bottom of class-conflicts in society? As has been already stated, Marx incorporated in his theory of social evolution the Economic Man of bourgeois political economy,—the automaton, moved by economic forces alone. Assume then, as Marx assumed, that the vital and final urge in the human being is the acquisitive instinct, and at once economic interests become the determining factor of social groups and the driving power of class struggles. Social progress, according to Marx, is the expression of conflicting economic interests and a never ending struggle for the forces of production. Marx himself describes this struggle as 'the battles of developing production.' Such, Indeed, was 19th century Industrial England; yet, the universal validity of Marx's observation, and its unqualified assumption for a scientific interpretation of social evolution are, to say the least, questionable. Marx emphasized only one urge in the human being, and that not the most vital; as Professor Macmurray writes: 'The whole Communist interpretation rests upon the hunger-motives to the exclusion of the love-motives' (*Creative Society* p. 177).

Hence the obvious weakness of Marx's interpretation. His conception of a social group and of society is narrow and one sided. He was so obsessed by economic motives that he left out of count other interests and



motives which govern social relationships and which influence social development and cannot be interpreted as mere consequences of economic antecedents. In a brilliant analysis of the crisis in the west, Mr. Leslie Paul shows how political motives and not economic dominated Nazi Germany. "The attack on the weaker raw-material states," writes, Mr. Paul "is a political attack. The plundering of occupied countries is political and military in direction; it is inspired by Genghis Khan, not Ricardo or Adam Smith—or even Karl Marx" (*The Annihilation of Man*, 1944, p. 66).

It is far from easy, even in highly industrialized countries to reconcile the content of human experience with the Marxist contention that modes of production determine social groups. Within the class termed 'bourgeois' by Marx, may be discovered numerous sections and sub-sections, each with its special psychological trait and cultural outlook: the old and dignified bourgeoisie, which is closely allied to the aristocracy, and in whose development economic conditions have played no part; the new bourgeoisie or the new rich, whose life is consumed by a devastating passion for new enterprises and new ways of getting rich. Doubtless, of such is the Kingdom of Capitalism. The Marxian proletariat, motivated by purely economic interests, delighting in hatred and revenge, and determined to break with all traditions of the past, finds no realisation in real life. The advent of industrialism and the growth of Liberal Capitalism have no doubt tended to create a propertyless proletariat; yet few will deny that the struggle for economic well-being is



but a symptom of a deeper and wider manifestation of discontent against a social order that has subordinated spiritual values to material ones.

Since, in theory, the two Marxian categories bourgeoisie and proletariat, are intrinsically contradictory concepts, a necessary logical opposition exists between them. But this opposition can become real and effective only when proletarian consciousness takes on a 'universal outlook and revolutionary passion'. Proletarian consciousness does not come at once. It is a slow process and deepens in proportion to the increasing poverty of the masses, and in the measure in which the struggle for the forces of production becomes a conscious reality. With the awakening of class-consciousness, the class-struggle receives a principle of revolution and the proletariat assumes its world-saving mission.

Revolutionary class-consciousness is central to Marxism. It was the instrument which Marx employed to divert the whole current of socialistic endeavour from the construction of Utopias to the seizure of political power. This is Marx's specific contribution to social politics. According to Lenin, Marx's theory

'transformed socialism from Utopian to scientific ;...it has revealed the real task of a revolutionary socialist party, namely, not to invent plans for the reconstruction of society,...but to organize the class-struggle, the ultimate aim of which is to win political power for the proletariat and to organize socialist society'.—(*Our Programme, Collected Works. Vol. II p. 481, Russian Edition*).

Since Marx assumes that economic conditions and motives engender the class-struggle, in the last resort,

therefore, Marx's Proletarian Man would batten on the same interests and motives as the Bourgeois Man of Liberal Capitalism—the economic urge. In fact, Marxism with all its hatred of the classical bourgeoisie would fain feed on the same ideologies, adding the malice and evils of class-war. Although Marxism has bred new fallacies, it must be credited with having brought to light with special insistency, perhaps unintentionally, the inevitable conflict of interests in, and the moral inadequacy of, any social effort that founds its hopes on mere economic or material advantages. Concluding a brilliant chapter on 'The Break-down of the New Incentives' in Soviet Russia. Mr. Arthur Koestler writes:

'The Russian revolution has failed in its aim to create a new type of human society in a new moral climate. The ultimate reason for its failure was the arid nineteenth century materialism of its doctrine. It had to fall back on the old opiates because it did not recognize man's need for spiritual nourishment'.—(*The Yogi and the Commissar* 1945 p, 200.)

For Marx, the solidarity of the human race is reduced to the solidarity of the proletariat, which according to the *Communist Manifesto*,

'goes through various stages of development. At first the contest is carried out by individual labourers, then by the work people of a factory, then by the operatives of one trade, in one locality, against the individual bourgeois who directly exploits them.'

When revolutionary class-consciousness has finally spread through the proletariat, and has brought about the proletarian revolution, the sovereign reality of class-

asserts itself and is transformed into the universal reality of the social 'collective'. The implications of this view are important. Marx assumes that proletarian solidarity is entirely based on the awakening of the acquisitive instincts and that class loyalty is the highest loyalty. This is the vice at the heart of Marxism! Class loyalty demands from its devotees the same blind service to class and class interests as the patriot asks for the nation. Nothing is more remarkable, to-day, than the blind devotion demanded of every individual in the Soviet Union to the Communist Party. Civic excellence in the U. S. S. R., is bound up with membership of the absolute Communist Party. This principle of class sovereignty and class loyalty is strikingly illustrated in all forms of Totalitarian tyranny. In Hitler's Reich there was room for one supreme party, and so even to-day in the Soviet Union there is only one single party—the Communist Party.

But if, as Marx assumes, class loyalty is the highest loyalty, and if the workers are to be guided solely by class-consciousness, why should not all classes be ruled by the same principle? It is obvious that, if humanity embraces every individual and all classes, its solidarity must be founded not on class-consciousness and class-truth, which are relative, and in the Marxian postulate, purely material, but on an absolute spiritual union which is incomparably higher than anything in the economic or political order. In the last analysis, the true and genuine solidarity of mankind rests on the recognition of universal principles and ideals, and if these make no moral or

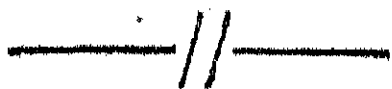
spiritual appeal to the individual, the solidarity of the human race is meaningless.

Finally, as the principle of a constructive Labour Policy, the Marxist dogma of class-war, is immeasurably pernicious. It builds its hopes on selfish economic individualism, the capital vice of economic liberalism, now universally discarded. It makes no intellectual or moral appeal to the masses, as reason and judgement are over-ruled by passion. It reduces the worker to the position of a criminal conspirator of the vulgar kind, rendered successful by the defects and misfortunes of unhappy social conditions. Above all the virus of class-war substitutes hatred for love, predatory passion for creative enthusiasm, bloody violence for brotherly co-operation, sectional or class-interests for the common interests of mankind and unrestrained acquisitive greed for moral restraint and responsibility. The tragedy of our civilisation is precisely the refusal to acknowledge that the interests and welfare of Labour merge into the interests of the whole community, and that the acquisitive instinct is not the sole driving force of social progress. It is only in the light of super-economic experience and of absolute spiritual principles that the Labour Movement will recognize its own greatness and realize its highest potentialities.

CYRIL C. CLUMP, S.J.,

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# THE CHURCH AND SOCIAL ACTION



## I

### The Role of The Church in Social and Economic Questions

#### Her Right and Duty to Deal With These Matters

The Catholic Church, the most perfect of all Societies, cannot restrict her sphere of action solely to spiritual things, although these are essential and foremost, but as a society existing in the world and for the world, she must take and interest in the material, civic, social welfare and progress of humanity.

Constituted by Christ to perpetuate on earth the remarkable benefits of His redemptive work the Catholic Church has, indeed, as her true and proper end the leading of men to salvation.

But being established in the world and for mankind on this earth, she must necessarily interest herself in all the actions and circumstances that affect man's striving for eternal happiness.

It is in virtue of this connexion between man's earthly concerns and his eternal salvation that the Church has the office, the right and the duty to intervene in socio-economic matters, not only to guide and direct individual consciences, but also to judge, approve or condemn the foundations of given social systems, to



instruct the consciences of men, not only of the ordinary men but also the consciences of those who are called upon to find solutions for the problems and obligations arising out of social intercourse. For, the benefit or the detriment of souls will depend upon the conformity or otherwise of the social structure with the laws of God; on this will depend whether human beings, all destined to be quickened by the grace of Christ, are to lead their daily lives in the healthy and invigorating atmosphere of truth and moral virtue or in the poisoned and often lethal air of error and depravity (Pius XII, 1941, Whitsunday Broadcast). It is in virtue of this spiritual office of leading man to heaven that she instructs him about his rights and duties in society, that she proposes her Social Doctrine to mankind. For, Catholic Social Doctrine is not a treatise of profane science, a treatise of economics, one theory among other, which mankind can assume or discard at will; Catholic Social Doctrine is a part of the Catholic Philosophical and theological Doctrine. It is an integral part of the Church's moral teaching, dealing with justice and charity in human society. It is as the divinely appointed guardian of this moral doctrine, of these divine precepts of justice and charity that the Church has the right and the duty to interpose her authority in social and economic matters, that it is her office to teach authoritatively her social doctrine to the world and to guide mankind according to its precepts.

Hence she cannot isolate herself from the life of a nation or of a country, as in our case, India.



In virtue of her constitution and position in the world she must interest herself in and busy herself with the social question.

The social question touches the deposit of the Faith, and the Church, is bound "ex charitate" to solve this problem as this is also a work of salvation. Millions of souls will never be influenced by the Church, if she ignores the social question and contents herself with the traditional pastoral care of souls.

If then the Church must take to heart this important problem, it means that the Hierarchy and the clergy who represent the Church on earth must act and work for the solution of this problem.

### *The Popes.*

The first and authoritative reason why we must take an interest and a great interest in the social question is found in the constant and insistent teaching of the Sovereign Pontiffs.

Conscious of their duty and responsibility on such a problem, the Popes have given principles and directions, and so the basic principles of Christian Sociology are easily to be found in the Papal Encyclicals. As a matter of fact many Encyclicals have been issued expounding the Christian Social Doctrine, of which the principal ones are:

1. 'Rerum Novarum', of Leo XIII (1891) on the Conditions of Labour;

2. The Encyclical on 'Christian Democracy' again by Leo XIII (1895), containing the best summary of Christian thought in this field;
3. 'Quadragesimo Anno' of Pius XI (1931) on the Reconstruction of the Social Order;
4. That on 'Atheistic Communism' by the same Pontiff Pius XI (1937), immensely valuable, containing a splendid resumé of the Social programme;
5. The two Encyclicals of Pius XII, one 'to the Catholic Hierarchy in the United States' on the occasion of the 150th anniversary of the establishment of the United States Hierarchy, and the other 'Summi Pontificatus', both of which are a brilliant exposition of the contemporary social evils and of the specific remedies applicable to them,

The Popes expect from the Hierarchy and the clergy that they show an interest, in interpreting and commenting on the Catholic social doctrine set out by them as also in applying those principles to the special circumstances of the various countries in which they live.

### *Leo XIII*

In his Encyclical "Rerum Novarum" Leo XIII, after giving a vividly realistic description of the evils

of liberalism and of the modern capitalistic system, and sketching the resultant dislocation of society goes on to prescribe the remedies, but he makes it perfectly clear that the Catholic Church has an important part to play in this great work of reformation. She must not only set forth principles, but she must translate them into practice. She must not content herself with revealing the injustices, but she must strive to abolish them, and His Holiness addresses himself to the Hierarchy and the clergy in these words ;

“Every minister of our holy religion must bring to the struggle the full energy of his mind and all his power of endurance. Moved by your authority, Venerable Brethren, and *quicken*ed by your example, they should never cease to urge upon men of every class, upon the highly-placed as well as the lowly, the Gospel doctrine of Christian life ; by every means in their power they must strive to secure the good of the people.”

In another Encyclical “*Graves de Communi*” the same Pontiff Leo XIII has written : “In any enterprise of this kind with which the interests of the Church and of Christians are so closely bound up, it is clear that the priesthood ought to be throughout concerned.....”; and writing to the French clergy on 8th December 1899, Leo XIII says : “We know well, and the whole world likewise knows, the qualities which distinguish you. There is not a good work of which you are not the inspirers or the apostles. Obedient to the advice given in our Encyclical ‘*Rerum Novarum*’, you go among the people, the

working men and the poor. You seek by every means to help them, to improve their morale, and to render their lot less hard. To this end you arrange meetings and congresses; you found patronages, circles, rural banks, offices for finding employment for the working class. You labour to introduce reforms into the economic and social order, and for so difficult a task you do not hesitate to make considerable sacrifices of time and money. For the same purpose you write books and articles in newspapers and periodicals. All these things are in themselves very praiseworthy, and you thereby give evidence of your good will, and your intelligent and generous devotion to the pressing needs of modern society and of souls." Writing to the Bishops of Italy on 8th December 1902 on "the Education of the Clergy", the Holy Father Leo XIII urges the same point: "such social action has frequently been commended by Us as a need of our age. In exacting the faithful observance of the rules which We have recalled We are helping to protect that which ought to be the life and the soul of such action. Let it here be repeated once more and with greater emphasis; the clergy must go to the Christian people who are on all sides surrounded by snares and who are tempted by all sorts of delusive promises, and especially by Socialism, to abandon the faith of their fathers."

In the same letter Pope Leo XIII goes on to say that the clergy should promote among the laity "those associations which are recognised to be really efficacious in promoting the moral and material welfare of the people."

Conscious of his right and duty Leo XIII "boldly took into his own hands the cause of the workingmen. The Sovereign Pontiff approached the subject in the exercise of his manifest rights, deeply conscious that he was the chief guardian of religion and the chief dispenser of all that closely appertains to it; for the question at issue was one to which no solution could be found apart from the intervention of religion and of the Church" (Quadragesimo Anno). Indeed "with particular enthusiasm was the Pontifical letter (Rerum Novarum) welcomed by Christian workingmen, who felt themselves vindicated and defended by the highest authority on earth" (Quadragesimo Anno). It was and it is the conviction of all right minded people that the lead should come from the Church not only in spiritual matters but on this social question as well. Rightly says Pius XI in his Encyclical "Quadragesimo Anno", speaking of what preceded the issuing of the encyclical "Rerum Novarum": "To the feet of Christ's Vicar on earth were seen to flock in unprecedented numbers sociological students, employers, the very workmen themselves, begging with one voice that at last a safe road might be pointed out to them." (Q. A.). This definitely shows the duty of the Church and the expectation of humanity.

## *Pius XI*

Regarding Pius XI, we could fill up several pages if we wanted to quote the various statements pronounced by this Holy Pontiff in letters, Encyclicals, or speeches, on the right and duty of the Church to



deal with social problems, and the necessity on the part of the Hierarchy and the clergy to study, declare, interpret and urge the moral and spiritual aspect of the social order and the economic life. It is sufficient to quote a few sentences. In his encyclical "Quadragesimo Anno" Pius XI says; "We must lay down the principles, long since clearly established by Leo XIII; that it is our right and our duty to deal authoritatively with social and economic problems..... The Church can never relinquish her God-given task of interposing her authority, not indeed in matters of technique, for which she has neither the equipment nor the mission, but in all those matters that fall under the moral law. With regard to these, the deposit of truth entrusted to Us by God, and Our weighty office of *declaring, interpreting, and urging*, in season and out of season, the entire moral law, demand that both the social order and the economic life be brought within Our supreme jurisdiction."

His Holiness emphasises the duty of the Church — "of the Church We say, which in the above-mentioned sphere, as in all others where moral questions are discussed and regulated, cannot forget or neglect its mandate as Custodian and Teacher, given it by God." (Q.A.). And again in the same encyclical the Holy Pontiff, in the last portion, insists strongly on the point that "in the solution of social problems.....the Church by virtue of her divine institution has the right and the duty to concern herself with them. With repeated insistence We exhort all these in the Lord (he addresses himself to His



Venerable Brethren and their co-operators) to spare no labour and be overcome by no difficulty, but daily more to take courage and be valiant."

The fearless Pontiff in his encyclical "on Atheistic Communism" issued on the 19th March 1937, has declared that "in the face of such a threat (the social revolution envisaged by Communism) the Catholic Church could not and does not remain silent.....for it knows that its *proper and special mission* is to defend truth, justice, and all those eternal values which Communism ignores or attacks" (Divini Redemptoris). On this duty of the Church and of its priests the Holy Father has insisted in several places. To the priests is assigned "by a special vocation under the direction of their Bishops and in filial obedience to the Vicar of Christ on earth, of keeping alight in the world the torch of Faith and of filling the hearts of the Faithful with that supernatural truth which has aided the Church to fight and win so many other battles in the name of Christ." (D.R.).

He makes Leo XIII's advice his own and completes it, saying: "go to the workingman, especially where he is poor; and in general, go to the poor..... Indisputably much has been done in this direction..... but for the solution of our present problem, all this effort is still inadequate.....We must *act* in to-day's crisis. Every other enterprise, however attractive and helpful, must yield before the vital need of protecting the very foundation of the Faith and Christian civilisation.....Let our parish priests, therefore, while

providing, of course, for the normal need of the faithful, dedicate the better part of their endeavours and their zeal to winning back the labouring masses to Christ and to his Church." (D.R.). The reconstruction of a Christian society "is the positive task, embracing at once theory and practice which the church must undertake in virtue of the mission confided to her by Christ." (D.R.).

### *Pius XII*

Turning to Pius XII, gloriously reigning, we find that from the very beginning of his Pontificate he has echoed the voice of his predecessors. Speaking of the right of the family, in his encyclical "Summi Pontificatus" His Holiness firmly declares: "We stand up as determined defender of those rights in the full consciousness of the duty imposed on Us by Our Apostolic office." This duty of defending those same rights is incumbent on the whole Hierarchy as well. We have had examples in the course of this war of pastoral letters and common declarations of this Episcopate throughout the world.

Speaking of the task of the Church, Pius XII says: The accomplishment of this task of regeneration, by adopting her means to the altered conditions of the times and to the new needs of the human race, is an *essential and maternal office* of the Church. Committed to her by her divine Founder.....that co-operation in the spread of the Kingdom of God, which in every century is effected in different ways with varying instruments, with manifold hard struggles. *is a command*

incumbent on everyone who has been snatched by divine grace from the slavery of Satan and called in Baptism to the citizenship of the Kingdom of God." (S.P.).

Appealing to those in power he asks them to "decide to allow the Church a free course to work for the promotion of the rising generation according to the principles of justice and peace. This work of pacification presupposes that obstacles are not put to the exercise of the *Mission* which God has entrusted to His Church.....Accordingly We.....appeal to the rulers of the people.....to let the Church have full liberty to fulfil her role as educator of teaching men the truth, by inculcating justice, and inflaming hearts with the divine love of Christ." (S.P.). This freedom of action, this leading hand is expected by many who "turn their gaze with renewed hope to the Church... from which they feel there can be restored to mankind that unity of religious teaching and of the moral code which of old gave consistency to pacific international relations.....Unity, the hope of so many noble minds separated from Us, who yet in their hunger and thirst for justice and peace, turn their eyes to the See of Peter and from it await guidance and counsel. These last are recognising the Catholic Church's principles of belief and of life that have stood the test of 2,000 years, the strong cohesion of the Ecclesiastical Hierarchy, which in union with the successor of Peter spends itself in enlightening minds with the teaching of the gospel, in guiding and sanctifying men, and which is generous in its maternal

condescension towards all, but firm when, even at the cost of torments and martyrdom, it has to say; "Non licet; it is not allowed." (S.P.).

In his Whitsunday broadcast of 1941 Pius XII summarises the right, the duty and the mission of the Church in the social question as follows: "It is unquestionably within the competence of the Church, where the social order touches the sphere of morals, to judge whether the foundations of a given social order are in harmony with the immutable order which God the Creator and Redeemer has manifested through the natural law and through revelation.....To this twofold manifestation Leo XIII rightly appeals in his encyclical, because the dictates of the natural law and the truth of revelation are like two streams not contrary, but concurrent, flowing by different courses from the one divine source; also because the Church, the custodian of the Christian supernatural order, in which nature and grace converge, has the duty of instructing the conscience of men, including the conscience of those who are called to find a solution for the problems and duties arising out of social intercourse. The benefit or the detriment of souls will depend upon the conformity or otherwise of the social structure with the laws of God; on this will depend whether human beings, all destined to be quickened by the grace of Christ, are to lead their daily lives in the healthy and invigorating atmosphere of truth and moral virtue or in the poisonous and often lethal air of error and depravity. In such circumstances how would the Church.....legitimately witness their

dangers with silent indifference or pretend not to see and weigh with concern social conditions which, whether of set purpose or not, make difficult or practically impossible the practice of a Christian life in accordance with the commandments of the Supreme Law-giver? ”

We have quoted at length the statements of those Pontiffs who have taken to heart the solution of social problems in the light of Christian doctrine. It is no more possible to ask if such declarations have to be taken as an advice or an encouragement only. Too many and too clear are the words of the Holy Pontiffs, insisting on the duty and mission of the Hierarchy and the clergy to take to heart this question, that it cannot any longer be considered as an encouragement or a desire only, but it must be taken as an order and a duty. It might be difficult for all to take an active part or interest in all the problems, because not all among clergy have the necessary aptitudes or qualities; and for such matters experts are required, but all should take an interest according to their capacities and circumstances.

To strengthen our point, however, and to stress the necessity on the part of the Hierarchy of entering the field of social questions, besides quoting the authority of the Holy See urging us to take the initiative in this matter, we shall bring forward two other reasons which will further convince us of the importance of this problem and stir us to take a real interest in it.



## INFLUENCE OF THE CHURCH

We said at the beginning that the social question touches the deposit of the Faith and that millions of souls will never be influenced by the Church, not only in the Western countries but in the Mission countries as well, if we do not take an active interest in what is most vital for the masses, particularly the workman, i.e. the Social question. The Church cannot and must not restrict herself only to the traditional pastoral care of souls; she must also participate and co-operate in the solution of economic and social problems.

Pope Pius X, in his letter of June 11th, 1905, to the Italian Bishops, said: "The social question deserves to have all the Catholic forces applied to it with the greatest energy and constancy.....Take thoroughly to heart the interests of the people, particularly of the working and agricultural classes not only instilling into the mind of all the religious principles, the only true fountain of consolation in the troubles of life, but endeavouring to wipe away their tears, to assuage their sorrows, to improve their economic condition by well adapted measures".

We have already quoted Pius XI insisting on going to the people, the poor, and how besides providing for the moral needs of the people, we must dedicate the better part of our endeavour and zeal to win the labouring masses to Christ by taking a vital interest in their needs.



Did not Christ give us the example, when followed by a multitude of more than 5,000 people, He had pity on them and to provide for their need He wrought one of His most marvellous miracles, the multiplication of the loaves? He won their confidence so much by that act that they wanted to proclaim Him their King. If He were in our midst to-day, He would again and again repeat His miracle, because it cannot be denied that the only available means of getting at the souls of the majority of the workingmen is by helping them to live and not to starve. It is by the body that we can reach the soul. What more effective way is there of winning their confidence than by taking interest in what they have most at heart? The clergy must occupy itself with all that concerns the very life of society and especially of the mass of the people; and not to do so is a sin of omission, for the question is not of secondary importance for society, but it is a question of life or death. Hence we said at the very beginning that this is also a work of salvation. The priest will not be welcomed by the people merely because he is ordained; he must be of the people, with the people. It is not then a matter of taste, but it has become an indispensable phase of our apostolate; and if we wish the good of society, it must be made evident that the Church is on the side of social justice and that she wishes with all her power to help the oppressed and the poor more effectively than other revolutionaries or agitators. That was why Leo XIII wrote: "It is the opinion of some, which is caught up by the

masses, that 'the social question', as they call it, is merely 'economic.' The precise opposite is the truth, that it is first of all moral and religious, and for that reason its solution is to be expected mainly from the moral law and the pronouncements of religion." (Graves de Communi).

"Neither must it be supposed that the solicitude of the Church is so much preoccupied with the spiritual concerns of her children as to neglect their temporal and earthly interests. Her desire is that the poor, for example, should rise above poverty and wretchedness and better their conditions of life; and for this she makes a strong endeavour." (R. N.)

Social action is then expected from the clergy not as a hobby or recreation, but as a condition of its spiritual activities. It is a vocation. If we wish to bring back the families and in particular the workmen, to the Churches, practically deserted in many countries, we must build a social road which will lead them back to the sacred edifices.

The causes of many leakages are to be found in the social conditions of the people. It is then to these conditions that we must apply ourselves so as to remove the obstacles which hinder the faithful in the practice of their religion.

Have we not seen in Europe an enormous number of Catholic workmen abandoning the Church and drifting out of touch of their pastors, because these did not show any interest in the material betterment of

the people? When the people see sympathy for their welfare they are bound to come and seek even close intercourse with their priests. The clergy must go to the people, live with them, understand them and their needs. If the mountain does not come to us, let us go to the mountain. In that way will the clergy have the moral and spiritual influence necessary. It means that we must enter the social field.

Have we not seen in the flourishing Chota-Nagpur Mission the beautiful results of the apostolate of a man who took personal interest in the social and economic welfare of the tribes of the region? If we now count lakhs of fervent Catholics in that part of India, we must confess that after the grace of God it is due to the interest of the missionaries in the social problems which were hindering those people. Whenever the Church has proclaimed the right of the poor and the workingmen and clearly and fearlessly explained her doctrine in the social field, her influence has been greatly felt by all. "Thus" wrote Pius XI in his encyclical 'Quadragesimo Anno' "We rejoice that the Catholic truths proclaimed so vigorously by our illustrious predecessor (Leo XIII) are admired and advocated, not merely in non-Catholic books and journals, but frequently also in legislative assemblies and in courts of justice."

The plain declaration to the world of the Catholic doctrine on social questions made by Leo XIII in his encyclical "Rerum Novarum" has merited for this document the title of "Magna Charta," on which all

Christian activities in social matters are ultimately based." (Q.A.). Pius XI again acknowledges that "even today the authority of this Church doctrine (the syndicates) is greater than it seems: for the influence of ideas in the realm of facts, though invisible and not easily measured, is surely of predominant importance," (D.R.) We were struck when, one day, we invited Mr. Giri, Minister of Industries in the Government of Madras, a man known for his Communist tendencies, to preside over our Social Week. The general item was Capital and Labour. After the exposition of the reports and the various lectures on the subject, the clear exposition of Leo XIII's doctrine, the minister confessed that he was surprised and did not know that the Church was taking such keen interest in social matters. He was most impressed and took with him a copy of the encyclicals and some literature.

Have we made our influence on this matter felt here in India?

#### EX-CHARITATE

But there is still another reason which I want to bring forward, although it has already been hinted at in what we have said up to now. Throughout the ages the Church has taken a lead in beneficent social action. She is the real and charitable society which has established the corporal works of mercy. Her primary aim is certainly the salvation of souls but for that she must use all the means that lead to that end; now the active participation in social work is

a charitable work which, though secondary, has to be considered as a duty of the Church.

Besides saving their own souls and helping others to save theirs, priests have the subsidiary duty of relieving misery and poverty, and remedying social injustices, for this is one of the means to reach salvation.

It suffices to have a look at the list of all the charitable institutions established all over the world for the last two thousand years, to be convinced that the Church considers it her duty to follow in the footsteps of her Master in doing good to all.

But the field of charity has extended beyond the walls of institutions, and so the Church must extend beyond these walls, as she does, the works of charity which for God's love she lavishes upon the inmates of her many mansions. Excessive poverty and suffering are often for many an obstacle to the performance of their religious duties, hence the necessity of relieving the pressing needs of the body, if we wish to save the soul.

Social justice must be promoted as much as charity, and as the Church leads in charity, she also must lead in social justice. If she has taken a prominent place, the first place as a matter of fact, in works of charity she must have the same prominent place in promoting social justice.

If the Church has seen her Trinitarians and other orders sacrificing themselves in olden times for the



redemption of slaves and captives, she must now have her social workers to save the Pariahs, the modern slaves, rejected and oppressed by the economic injustices of our times, enchained, under the aegis of liberty and democracy, by a system which brings spiritual ruin.

If we insist so much on the obligation of the clergy to take a personal and practical interest in the school, in the education of the children, and we consider it as an inalienable right and duty and by that to assure the salvation of our children, why should we not consider the social problem as important as that of education. It is education and even more. What is the use of caring for the children, if when they are grown up they escape us and join fields opposed to the Church? Pius X used to say that it was more important to build a school than a Church, for the school would fill the Church with faithful. But it would be equally useless to build a Church for the working class, the poor, if we did not first take interest in their economic and social problems, if our charity did not influence them primarily.

The social problem is a problem of justice and charity and as such it is a problem which is essentially religious and hence the clergy are bound both by justice and charity to take a personal interest in it.

We have seen that the Church has a clear duty, as she has a clear right to interpose her authority in social problems. Her office is definite.



## II

## Extent of the Church's Office in These Matters

The activity of the Church in these matters is twofold :

- (a) doctrinal,
- and
- (b) practical.

The Church and hence the Hierarchy represented by the Bishops must in the words of Pius XII instruct the conscience of men, "including the conscience of those who are called upon to find solutions for the problems and duties arising out of social intercourse." They must "see and weigh with concern social conditions" and judge if they are "in accordance with the commandments of the Supreme Lawgiver." They must say what has to be done and what must not be done; they must judge if the socio-economic conditions are according to God's law, or if they are against it; they must suggest what must be reformed or abolished, so as to enable the men to live happily and to save their souls.

The Church and hence the Bishops, must in the programme traced out by Pius XI, DECLARE, INTERPRET, and URGE, in season and out of season the entire moral law also in the socio-economic order. (Q. A.)

Let us just emphasize these three points of great importance.

DECLARE: The Hierarchy of India, must declare what are the moral rights and duties of individuals, families, associations, capital, labour, zemindars, peasants, officials, the state itself, etc. It must declare what is right or wrong, e. g. with the zemindari system, with the system or practice of forcing the women, mothers or families, to work, because of the insufficiency of their husbands' salary. Pius XI is rather strong in this last point when he says: "*Intolerable and to be opposed with all our strength is the abuse whereby mothers of families, because of the insufficiency of the father's salary, are forced to engage in gainful occupations outside the domestic walls, to neglect their own proper cares and duties, particularly the education of their children.*" (Q. A.)

INTERPRET. To interpret the moral law with regard to social questions means to point out what the moral law intends and exacts in such circumstances, in regard to such or such a problem, or form this or that system or policy. Pius XII in his encyclical "Darkness over the Earth" bids the Hierarchy, in interpreting the moral law under this aspect, to be careful that "God's law imposed in the moral order : us carefully distinguish between what is the right and what is the wrong way of meeting the needs of the moment, between what necessity demands and what it does not demand of us."

GE. To urge the moral law means to recall moral obligations to men, or to any group of men, state, to society, pointing out to them clearly

what they have to do and what they must abstain from doing.

### GUIDING PRINCIPLES

This is what the Hierarchy in England, America and Australia have done. It is not the duty or the work of the Hierarchy to prepare or provide plans for the social reconstruction. Let that be the work of experts in social questions and problems, but the work and duty of the Hierarchy is to expose, explain, declare and present with the right of interpretation all those Catholic social principles necessary for the time, the place and the circumstances in which we actually live. It follows naturally that when preparing and exposing the principles, practical conclusions can be suggested and recommended, whilst contrary and objectionable theories or ideas can be denounced. We wrote in an article that appeared in the "Clergy Monthly" of February 1944: "It is said that it is not the mission of the Church to provide social plans, and that this is the task of experts or specialists in the matter. It may not be the mission of the Church to provide social plans, but it is hers to lay down the underlying principle and give guidance in the preparation and execution of the plans. What we need is not the making of plans but the exposition of those principles which will help those who work out the plan. The Catholic Church has assuredly a complete system for the solution of all the social problems: that system must be made known and the best authority entitled to speak and to take a lead in such matters

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is the Hierarchy. They are acquainted with the problems of the Provinces in which they live. They undoubtedly have studied the many and various social questions. They must therefore speak; they must lead. The help of laymen specialized in social matters will be most valuable, but the hand which points the way, the head which guides the body must be the Hierarchy. It will then give to the statement the authority, not of specialists and experts, but of the Church which has her authority from God."

Pius XI says in fact "in the sphere of social economics, although the Church has never proposed a definite technical system, since this is not her field, she has nevertheless clearly outlined the guiding principles which, while susceptible of varied concrete applications according to the diversified conditions of times and places and peoples, indicate the safe way of securing the happy progress of society.....Outstanding statesmen have asserted that, after a study of various social systems they have found nothing sounder than the principles expounded in the Encyclicals 'Rerum Novarum' and 'Quadragesimo Anno.' In non-Catholic, even in non-Christian countries, men recognise the great value to society of the social doctrine of the Church." (D. R.)

Social Action is an integral part of the Church's apostolate, in our days one of the most potent means for drawing people to God. It is a form of apostolate which no apostle of Christ and the Church can neglect without going directly against the will of God emph-



atically expressed by the Popes; which no leader in the Church can neglect without exposing the Church to immense harm. If we have lost the working classes in Europe it is due to lack of interest in social matters on the part of the clergy, a sin of omission which has had terrible consequences.

### III

#### The Church and Social Action in India

In his Encyclical, "Arcanum Divinae" (10th Febr., 1880), Leo XIII, after enumerating various blessings, both spiritual and temporal, by which the Redeemer "invested all things with a certain new order and beauty," continues: "In order that such remarkable benefits might last upon this earth as long as mankind will last, Christ constituted the Church the vicar of his mission and, looking to the future, he commanded that it should, if human society should suffer any serious disturbance or collapse, bring it back to a true order and lift it up again."

If ever a country was in need of a helping hand from the Church to bring it back to a true order and to lift it up, it is the India of our day. Need we refer to the mass poverty and destitution that stares the world in the face? India "the brightest jewel in the British Crown" does not give one square meal a day to the majority of her people. Her children die like flies before they are even one year old. Scores of millions of her grown-ups are weak and sickly because they are underfed, have no protection

against the changes of the climate, have no medicines, have no possible hygiene. The economic standard of the masses is so low that in normal circumstances they are just able to keep alive, but should any crisis occur it simply mows them down. India's starving millions constitute the most formidable problem for the nation. With our divine Master we repeat: "Misereor super turbam."

Schemes of social reconstruction are on hand; plans are being made. But alas, often enough they turn towards Marxist experiments for their inspiration, not only for technical questions but for a view of social life. Why does India not turn to Christ for the view of social life? How could she?

Has Christ's social message been preached to India—I mean in a real impressive way that has reached the whole of India? We have preached a splendid example of Christ's *charity* in our care for the sick, the helpless, the young, etc. and this has made an impression on India. But in the matter of social reconstruction the message of Christ and His Church has not penetrated India. The voice of India's Catholics or of their leaders has scarcely been heard up to now except to a very limited extent when condemning, as a rule in globo, the Capitalistic system or the proposed Marxist revolution. Non-Catholic Indian leaders and publicists know that outside India, Catholics are waging a hard fight for the Church's views on socio-economic reconstruction; but in India Catholics have made the impression of taking their

stand with those who want an evolution that disturbs nothing and nobody.

Our immediate duty is to make a much deeper influence on India in socio-economic matters. For the glory of God we must exert ourselves, to prevent India from adopting a reconstruction plan that is not in agreement with God's law; for if she does, it will make the observance of God's law more difficult for all; we shall have to oppose it; we shall be dubbed enemies of the people; our apostolic work will be greatly hampered; it will place our Catholic flock in very great difficulties because they will not be able to collaborate in the social reconstruction. Our task is to get India to adopt a reconstruction plan that is as near as possible to what is required by God's law, so that we can enthusiastically support it and fully co-operate in it.

How can we do that? By shaping India's mentality. It is not probable that when it comes to the adopting a plan for its socio-economic reconstruction, we will be asked for our advice. Our numbers and the little influence wielded by us in the country in these matters do not warrant such an expectation. But in any country the possibility of a social reconstruction plan coming up for consideration and the likelihood of its acceptance depend to a large extent on the mentality prevalent in the nation and among its leaders. It is our task to influence that mentality. That mentality is *in formation* now among the people and its leaders. It is powerfully influenced by inten-

sive and extensive propaganda from all sides by what people read, hear and see about other countries. In point of propaganda the Marxists beat all others. They have a fillip in the present situation, the success in the 'anti-fascist' war, the economic strength of the U. S. S. R., the volte-face of the leaders of certain countries towards the Soviets make a deep impression and lead many to accept most uncritically the Marxist propaganda for its own programme of socio-economic reconstruction. In their admiration for the Soviet performance and their eagerness to register a similar economic advance for India, many simply forget all the other human values involved. We must stress these values. On the other hand a very great percentage of those really eager for the immediate establishment of a better social order in India recoils from the Marxist methods and look for something better adapted to India's innate appreciation of religious and spiritual values. These we must strengthen and to them we must give our Catholic Ideas of social reconstruction. This can be done for non-Catholics as Pius XI based his whole social programme on sound social philosophy that can be accepted by non-Christians as well.

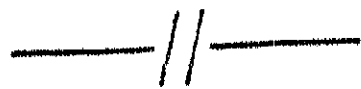
#### HOW CAN WE REALIZE THIS PROGRAMME IN INDIA

It is only by a combined action, united and working together, with definite plans, making use of all the means at our disposal that we shall be able to overcome all the difficulties and realize for India the

plan of Catholic Social Action outlined by the Popes and so bring Christ's social message to bear upon India, its peoples and its leaders.

HIS GRACE THE MOST REV. L. MATHIAS, S.C.,  
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## THE STATE AND SOCIAL ORDER



A hundred years ago a great English poet Wordsworth complained in song

The world is too much with us ; late and soon  
Getting and spending, we lay waste our powers,  
Little we see in Nature that is ours  
We have given our hearts away, a sordid boon!

If we had to-day a poet that was also a critical political observer he would complain in verse that the State is too much with us, that we have given our hearts away to the State. Time was when the State was charged with a very small number of duties. To preserve peace and order, to defend the country against external enemies, to maintain conditions in the social and economic life of the country that would evoke and encourage the initiative enterprise and activity of individuals was till about 75 years ago considered to be the whole duty of the State. But we have changed all that. One by one new duties have been put on the State. At first, it was called upon to take up the education of the people—no longer was education to be left to the voluntary and private effort of individuals or corporations like the Church. Schools were built by or with money supplied by the State, teachers became employed by the State, courses of study and syllabuses were laid down by Government departments. And then Health which had been in the keeping of the medical profession and private hospitals was taken by the State.



Old age pensions and Insurance against sickness and unemployment came to be organized by the State. Economic progress which had been left to private initiative and governed by the theory of *laissez-faire* was given into the hands of the State. Agricultural colleges were established and maintained by the State to spread the application of scientific knowledge and discoveries to the cultivation of land. Tariffs were used to protect native industries. Housing, i.e., the provision of good dwelling places for urban and agricultural labourers, is considered to be one of the important duties of the modern State. Thus it has come about that the modern State has become a kind of Lady Bountiful providing the citizen with some of the good things of life, not merely providing him with the conditions conducive to good life-leaving it to him to make use of those conditions as best he may. But there was still another flight of steps to be mounted by the State in its ascent to omniscience. And that was for the State to take the whole of the citizens' life into its keeping. From the cradle to the grave he was to be looked after by the State. His birth, his nurture, his education, his work, his leisure, his thought were all to be regulated by the State. His life and the life and progress of the State was to be planned. The life of the State was to run according to a plan designed by the State. The State was to be the *pater patricæ* not in the panegyric sense intended by the Romans, it was to be the *ma bap* not in the emotional sense intended by the Indian beggar, but in a literal sense. That was the flight of steps

taken by the Totalitarians of Russia, Germany and Italy. It found striking expression in one of the maxims of Mussolini, "All is in the State, nothing is outside the State, and above all nothing is against the State."

The horrors of Totalitarianism whether in defeat or in victory are provoking men into doubts and questionings about the validity of the modern theory of the competence of the State. Can a theory of the State which led to the Nazi attack on Poland or the persecution of the Jews and religion and the Belsen camp be a theory of health for the State? Can planning such as was practised by the Nazis of Germany, the Fascists of Italy and the Communists of Russia which made most of the rights of the State and reckoned little of the rights of the individual and of human personality be a principle of benediction for the citizen or the State? Especially, the terrible power which the totalitarian and planning State had to assume in order to perform its tasks must make us pause and ponder whether the claims made by the modern State to total power and all-comprehending competence can be allowed.

Clearly the claim of the State to total power and total competence cannot be conceded. It offends the fundamental principle of political life—that the State exists for the individual and must subserve his ends. Progress is good, but liberty is better. Progress may not be achieved at the expense of human personality. In the planning of progress, whether educational,

social or economic, the State may not run like a steam roller over the rights of individuals and corporations which are also expressions, though smaller than the State, of the social life and activity of the citizens of the State. For the end of the State is the life, the more life, and the better life of the individual. There are spheres of the individual's life which are outside the jurisdiction of the State, for the simple reason that it is not competent to deal with them. For instance, the spiritual life of the individual is outside the jurisdiction of the State. What he shall believe, how he shall worship God, whether in Church, or procession, or other public demonstration must not be by leave of the State. It is true that the organization or demonstration of religious life must not be to the detriment of public peace and order. But that detriment must be demonstrable and not be a mere figment of the State's imagining. The family, the natural human group, is also outside the interference of the State—its internal life, the right of parents over their children, over their children's nurture and education, the right of children to the care of their parents. The right of individuals to form groups and corporations to give expression to their social ideas ought to be practised without let or hindrance from the State. Under a planning or totalitarian State as we know from actual experience, all questions social, religious and economic become political matters to be dealt with by the State. It is a regard for the rights and liberties of the individual and voluntary groups and corporations that will keep

the State within the bounds of utility and service to its citizens. For the decisive argument against the all-competent and all-planning State is the tremendous power with which it will have to be endowed in order to put its plans into effect and realize its comprehensive competence. As Pius XI pointed out the danger in *Quadragesimo Anno*, "Society therefore as the Socialist conceives it, is on the one hand impossible and unthinkable without compulsion of the most excessive kind". The terrorism resorted to in Soviet Russia to realize Communism is thus explained. For as Belloc says "The control of the production of wealth is the control of human life" itself. Perfect planning is possible only under a dictatorship.

Are we then, frightened by the excessive power and all-inclusive jurisdiction of the planning and totalitarian State, to sink back into the lotus-bed of laissez-faire and do nothing? Is anarchy the only alternative to planning? Are we to flee to the jungle in order to escape from the strangling attentions of the all-embracing State. By no means. There is the middle way between anarchy and over-government, between Individualism and Socialism, between doing nothing and doing everything. There is the way of control and guidance. Something the modern State must do, which it was not expected to do under the influence of the theory of individualism and laissez-faire. Private effort having not done enough for the education of the common people, the State will have to step in. The old policy of laissez-faire having led to the evils of slums, inadequate

housing for labourers, insanitary towns and villages, the State with its financial resources has to abolish these evils. National services like roads, railways, forests, armaments, hydro-electric works, posts and telegraphs must be undertaken by the State because the common good and not private profit is the prevailing consideration. But the active production of wealth is no part of the business of the State. It is wrong, says Pius XI, to withdraw from the individual and commit to the community at large what private enterprise and industry can accomplish, just as it is an injustice, a grave evil and a disturbance of right order for a larger and higher organization to arrogate to itself functions which can be performed efficiently by smaller bodies. This hierarchy of functions is a fundamental principle of social philosophy just as the hierarchy of rule is a fundamental principle of efficient and free government. It is only if the State leaves to smaller groups minor businesses that it will be able, as Pius XI insists, to carry out with greater freedom, power and success, the greater tasks belonging to it. If it concerned itself with the production of wealth, it will not have the energy and time for doing those other things like the maintenance of peace and order which if it will not, none else can. Individuals and corporations can produce wealth but they cannot maintain peace and order. This limitation of the functions of the State does not mean that it should leave economic and social life to their own devices, to the jungle law of the struggle for existence and the survival of the fittest. The State in regard



to social and economic life will still occupy its magistral seat of authority and control, direct, watch, stimulate and restrain as circumstances suggest or necessity demands. That magistral authority it cannot abdicate. It will have to sit in judgement over the relations between Capital and Labour, over the treatment of the working classes in factories, over the employment of women in mines, it will have to see that the principles of justice are applied in economic life.

The State must keep a control over the banks and other instruments of finance and credit because as otherwise on account of the concentration and centralization of money and credit in the hands of a few, they would exert an influence on the economic life of all countries amounting to a powerful dictatorship so that, as Pius XI feared, no one could breathe without their consent. Free economic life requires the adequate organizations of certain institutions like money-markets, channels of information which can never be adequately provided by private enterprise. It also requires a system or code of laws that will favour free economic life. The Rule of Law must preserve freedom in this branch of life as in others—and the rule of law would be difficult to obtain in a planned State.

It must see to it that all obstacles to economic, social and moral progress are removed from the path of individuals. It must stimulate them, not overwhelm them with help. For the great end of social life is the progress of the individual through and by means



of the individual himself. Progress through liberty is the watchword of the free State.

This thesis is not a Catholic thesis. Catholics were indeed among the first to point out the dangers of the State taking up the ordering and planning of men's lives. Leo XIII and Pius XI in their Encyclicals called the world's attention to the danger of State Socialism as they pointed out the defects and wrongs of Individualism. Thirty years ago Hilaire Belloc warned the English-speaking world that it was drifting to the Servile State. But this Catholic thesis has been developed in recent years by economists and political critics outside the Church. Mr. Hayek of the London School of Economics has shown how planning may set us on the "Road to serfdom." Dr. D. W. Brogan the Professor of Political Science at Cambridge has in a recent book "The Free State" refuted the German thesis of William Dibiilius that "a social life comprising millions has got to have its details organized." The history of England as of every free country has shown that a society which is not organized in its details by the State can on account of latent energy and untapped resources rise to the demands of great crises like two world wars, whereas German society "organized in its details" cracked and collapsed in the face of the supreme crisis. And Catholic social philosophy is once more justified of this generation.

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## COMMUNISM IN INDIA



Not long ago people would not believe, when they were told, that communism existed in India. They somehow thought that communism would never spread to India, wherever else it might. It was wishful thinking perhaps, but there it was. And as communism was then an underground movement working in secret, it was a difficult task to convince them of its existence here. But now the task has become far less difficult, if not altogether superfluous, for communism has since come out into the open and declared itself and to-day is even functioning as a political party intending to run its own candidates or, in the alternative, to support one or other of rival candidates according to its preference at the coming elections to the Provincial Legislatures. They have only to look around them to see it in evidence in some form or other at street corners, public squares, workshops and factories, almost everywhere. Our purpose therefore should be not so much to prove its existence which at the present moment is only too obvious, as to estimate its strength, explain its character and assess its future possibilities.

Exact figures of the membership of the Communist Party of India are not available; and, even if they were, they will not carry us far. They are likely to be exaggerated, now more than ever when the party

has set out to try its political fortune and might find magnified numbers of some use for the purpose. If they are thus apt to mislead by telling us too much in this respect, they are no less so by telling us too little in another. They do not include the communists outside the party, and there are many such. Though they call themselves by various labels according to the political or other group to which they belong—Congress Socialists, Radical Democrats, members of the Forward Bloc, Self-Respecters, Labour and Kisan leaders, etc.—they are all at bottom in substantial agreement with the communists in principles and objectives and differ from them only superficially on political or personal grounds. Nor do the figures include those who, while not being communists whether in the party or outside it, sympathise with communism in various degrees, and among them are found some very prominent political leaders with a national and even world-wide reputation. They form a rather wide penumbra round the ring of communists to whom their moral support means so much. Numerically, communists and their sympathisers together are not so small as some would make out, but, as compared with other political parties or the total population of the country, they are only a tiny minority, not however a minority that can be ignored. But the strength of a militant movement like communism is not to be judged solely or even mainly by the aggregate mass of its members; it is to be judged also, and much more, by the small band of determined men who constitute its directive and driving force, for

the revolutions known to history have been principally the work of such bands. The communist movement in India has a similar band of its own for which more men are being trained. These storm troopers of the movement have infiltrated themselves among all classes of people and in every sphere of life, in some more than in others. Thus the movement is not local or sectional, being limited to one place or one sector of life, but comprehensive, purporting to affect by its ideology the whole country and its life.

In essence communism is the same everywhere, whether in Russia, or in China or in India. As is well known it stands principally for the abolition of private property, class struggle, materialistic philosophy of life, and direct action. And Socialism is hardly different from it, except that it limits common ownership to the means of production only and direct action as a last resort. It is therefore truly said that a communist is a socialist in a hurry. Much of the communism ~~in a~~ socialism prevalent in India is of this, so to say, authentic variety. Part of it, however, is so only in name, being no more than a laudable zeal for an equitable distribution of wealth and opportunity. In method and tactics, on the other hand, Indian communism strikes a somewhat distinctive note of its own according to the conditions in the country. This, rather than any modification of the fundamental tenets of communism, is what is meant when it is so often declared that communism will be adapted to Indian conditions. Violence and revolution have their terrors to all people the world over, but to

none more than to the people of this land who, consequently, are not told much about direct action which is thus prudently kept in the background. Similarly great care is taken to soft-pedal the anti-religious and anti-god propaganda, so characteristic of communism in other lands, lest the Indian people who are so largely religious-minded should be easily scandalized and turn away in disgust from the movement. The distinctive character of communist tactics in this country is nowhere more clearly seen than in the use of the popular front. While, like their comrades elsewhere, Indian communists have diligently bored into all kinds of otherwise useful movements such as those of workers, peasants, students, teachers, etc., their efforts have been specially directed towards infiltration into, the nationalist movement. They thus put on the cloak of nationalism and pursue their communist activities the more effectively on that account. It would seem from recent events that they have no place any more in the Indian National Congress. But judging from past experience, the quarrel is likely to be made up, all the more so as the objection of the Congress to the communists is not on the ground of their communism but on that of their breach of the Congress discipline, and lapses of discipline have so often been condoned before and the offenders taken back into the bosom of the Congress. Thus communism in India has the same character as communism in the rest of the world and it works here with methods and tactics carefully chosen for their effectualness in the Indian ~~milieu~~.

*milieu.*



The promise of a paradise, even though it be only a terrestrial one, constitutes the great attraction of communism. That attraction becomes all the greater by the contrast between the promised paradise and the present conditions of life. And God knows how unsatisfactory those conditions are. There are gross inequalities of wealth; a few are enormously rich and the masses are deplorably poor. The workers in the factories and workshops and mines undergo many hardships, despite the relief given by the Factory laws which however, pass over the heads of those employed in very small industrial establishments; and all of them suffer most from insufficient wages. The agricultural labourers fare even worse: with hardly any law to protect them they are at the mercy of the landlord receiving what little he chooses to give and working as long and hard as he demands. The *pannaiyals* among them have the most unenviable lot, owing to their masters a subjection strongly reminiscent of the old-time serfdom. The peasants with their uneconomic holdings remain poor and are crushed by the weight of debt and, in the Zamindari tracts, ~~and~~ heavy dues for landholding. The tenants are in no better position, having to pay too high rents in addition to their share in the common disabilities of the agricultural classes. More appalling than this economic inequality is the social inequality of which the most extreme instance is the condition of the depressed classes: one-sixth of the population is condemned as untouchables and a fraction among them also as unapproachables. Notwithstanding the amelioration of



their condition by Government and private effort their degradation is too deep for words. Suffice it to say that along with the inequitable distribution of wealth, it provides an ideal breeding ground of communism. Apart from economic and social conditions, the War, happily just ended, has proved an unexpected ally to the communist movement. Since Russia became an Ally, the long-standing ban on the Communists has been lifted, thereby giving them a greater scope for action. Moreover the success of the Russian army, under the influence of their subtle propaganda, has been adroitly turned into the glory of communism, instead of the Russian people, giving it a new glamour and power of appeal.

It may be said that if some factors are favourable to the growth of communism, there are others working in the opposite direction. For example the religious spirit of the people is counted upon to stem the tide. It may do so; but in view of the scepticism of the Indian intellectuals and the spread of irreligion among the masses in recent years, it seems to be of rather limited power. The widespread keen desire to own private property is suggested as a second line of defence. But it is a thin and fragile line. The desire of private property can be cleverly exploited so as to induce people to support the Communist revolution. It was so done in U.S.S.R.: the landless Russian masses were won over to the cause of the Bolshevik revolution by the promised reward of the lands seized from the princes, nobles, and churchmen. There is no reason why the same could not be done in India. Moreover

the people of India, owing to various causes are politically uneducated and seem to be incapable at any rate at the moment, of a strong enlightened public opinion. The danger with such a people is that they may become easy and helpless victims of a strong leader or group of leaders. And if the leaders chose the communist way, well . . . . there is the peril.

It has been shown that communism is active in India, and feels itself chiefly on the economic and social evils of the country. Now, it must be counter-acted and it could be done only by a movement of genuine social reform based on Catholic Social teaching. Such a movement may seem too big a task for Catholics who are so few in number to undertake. But they should do what they can. The first step in the movement is to spread the Catholic Social doctrine among our countrymen, which is certainly within our power. But how? Let our leaders answer.

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## SOCIAL JUSTICE

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In the summer of 1937 a stranger was, one day, walking along the streets of Paris. Soon a man pushing a hand-cart laden with parcels of goods came along side of him. After a few seconds of walking together in silence, the workman opened the conversation. You see, Monsieur, he said, I work whole day long carrying burdens up and down. My boss pays me a few francs a day. But do you know how much he makes a month? He named a goodly sum. Now, is that justice, Monsieur?

The peace Treaty of Versailles of 1919 set up three international institutions. The most successful of them is the International Labour Organisation whose "purpose is to promote social justice in all the countries of the world."

The word social justice is most frequently met with in the papal encyclicals *Quadragesimo Anno* and *Divini Redemptoris*. It is also used frequently in the press and on the platforms.

What do they all mean by social justice? Surely there must be something definite to which all of them are referring. We shall make an attempt here to inquire into the meaning, content and foundation of this notion of social justice. A clear understanding of the notion of social justice would clear the way to a satisfactory solution of a number of problems in

ethics, economics and sociology-problems which have long been the subject of discussion among the learned in these sciences.

## I

As all social sciences, social economy and social justice also must be based on right notions of the nature of man and his activity. All social sciences aim at drawing out and laying down principles of action and conduct by which man attains his appointed stature and fulness of being and perfection, physical and mental, moral and religious.

### *Man a Person*

Man is an individual, a person, the subject of rights and obligations. He has an inviolable right for his life and limb and all that is necessary for his sustenance and development of his nature. All other things on earth, animate or inanimate, are subject to him, made to serve him. His fellow human beings have the same rights. Each man must, therefore, respect the rights of his neighbour. This constitutes his social obligations.

By birth, then, man is king of creation, it is his birth right to have "dominion over the fishes of the sea, and fowls of the air, and the beasts, and the whole earth, and every creeping creature that moveth upon the earth" (Gen. I, 26.)

Yet, he is weaker than most of the animals over which he has dominion. For long years he needs the incessant care and protection of his parents and elders.

Under the loving guidance and care of his parents and teachers he develops the numerous potentialities of his body and soul, mind and spirit, that lie, so to say, dormant in his nature as in a bud. Legally he attains majority at 21 years of age and becomes independent of parental authority. Yet how many "majors" can look after themselves and their interests as they ought?

Man, then, is born in wants. They are innumerable and diverse. First of all there are the prime necessities of life, food, clothing and shelter, the deficiency of which constitutes poverty and misery. Then come the acquired needs of drink, smoke, toilet and so on. Lastly come the superfluous needs or luxuries affecting as well the prime necessities.

These needs or wants of man are always on the increase. Unlike the animals, or even the monkey his reputed progenitor, man has ever been increasing his wants and needs. He cannot help it. The command of the Creator is clear, that he subdue the earth and rule over it and make use of it. In fact man can make use of all created things, the birds of the air, the fishes of the sea, the animals of the land, the whole vegetable kingdom, nay more, even the forces of nature such as air, steam, electricity, atomic energy. Verily man is the king of nature as the Psalmist proclaims it so eloquently :

What is man that thou art mindful of him ?

Or the son of man that thou visitest him ?

Thou hast made him a little less than angels,  
thou hast crowned him with glory and honour,  
and hast set him over the works of thy hands.



Thou hast subjected all things under his feet,  
 all sheep and oxen :  
 moreover the beasts also of the fields,  
 the birds of the air  
 and the fishes of the sea, that pass through the paths  
 of the sea.

O Lord our Lord, how admirable is thy name in the earth !  
 (Ps. viii).

### *Man a Social Being*

To satisfy all his needs in a fitting manner and to develop his personality adequately no man is able by himself singly. In this also man is quite unlike the animals each one of which is able to procure what is necessary for its life. They neither sow, nor reap, nor garner into barns.

Nature provides man, too, with some necessary things of life and well being, free, ready-made : air, light, water, fruit and the like. For the rest man must labour in order to satisfy his wants in a reasonable way. Work, then, is the law of our nature even in paradise. "And the Lord God took man and put him into the paradise of pleasure, to dress it and to keep it." (Gen. II, 15).

At the same time work has something divine in it not only when man "creates" works of art or literature, but also when he cultivates cereals or plants or rears animals, co-operating the while with the Father who is always working in nature. Further more it is the providential means appointed by God to develop our powers of body and mind and spirit.

After the Fall, man's work and his lordship over nature take on a different aspect. Work has become a punishment also; "cursed is the earth in thy work; with labour and toil shalt thou eat thereof all the days of thy life. Thorns and thistles shall it bring forth to thee" (Gen. iii, 17). He has now to reconquer step by step his lordship over nature.

Yet the original purpose of creation and command of God to man remain intact: subdue and rule over the earth. That day when the command was given, began our civilization and culture, to subdue and to harness the forces of nature both in ourselves and in the external world for our utility and culture, to develop man's personality, to live in a reasonable and secure manner as befits a rational creature, the king of nature.

In this unavoidable task of providing for his necessities of life and of his culture, of struggling against nature in order to reconquer it, no man is self-sufficient. No man can produce or procure all the food he needs by himself, make all the clothes he needs by himself and build shelter he needs by himself and yet rise above the state of a savage. In the unequal struggle against nature he would soon go down. It is only by co-operation with others and by specialization of work according to one's aptitudes, tastes and opportunities that the commodities we all need can be produced in sufficient abundance for all regularly and securely; so that time and leisure may be left to attend to higher things of mind and spirit, conquer and subdue nature and make progress in civilization and culture.

With the growth of civilization and culture society gets more and more complicated and highly organized. The wealth or goods and services which a nation or society produces are in a way the joint production of the whole society or nation, each individual member of it, every section, profession or service contributing its share. Who can say how many have laboured in one form or another to supply you with the piece of bread or the plate of rice you have eaten? Who grew the wheat or rice out of which your meal is made? Who reaped the wheat or rice, thrashed it, milled the grain or ground the corn carried the flour to the baker, baked the bread to supply you with a few slices of it, for breakfast? You may know some of the links in this long chain from producer to consumer, but who can know and count them all? Now what is said of one commodity holds equally good for all commodities of our complicated civilization. Similarly you may reflect over the dress you are wearing or the book you are reading, etc.

Wealth is, then, a national product. It is not only the present living generation of men that contributes to its production, but also the past generations.

### *Man a Permanent Being*

Increase and multiply and fill the earth, said the Creator, to the first pair of human beings. Accordingly He endowed man and woman with the powers necessary for the perpetuation of the human race on earth. He has placed a natural attraction between the sexes and an urge to enter into a life-long union not only

for their mutual support and solace through the vicissitudes of this life, but especially for the procreation and education of children to perpetuate the human race on earth.

Man goes on living not only in his children, but also in his work. *Non omnis moriar*; I shall not pass away completely, said Horace after completing his immortal book of Odes, the delight of the learned in all succeeding ages. Civilization and culture are nothing but the sum total of all the products of art, literature, organization, processes of production in industries and crafts, attitudes towards life, property and spirit of man. The labours and ingenious inventions of generations of men of all nations and races have gone to make up the civilization and culture in which we are living at present—culture and civilization which have made us what we are with our standard of life, of comfort and conveniences and mental outlook on men and events of the world. Many of the ideas we hold and cherish today, many of the conveniences and comforts we are so accustomed to now, we know from history to whom we owe: the heliocentric system to Keppler and Galileo, the steam engine to Watts, the X-ray to Rontgen etc. But history is silent about and we know nothing of, many more things and ideas. Thus who is it who invented that wonderful thing called cloth? And the wheel, and the fire, and the writing and so on. What could our civilization and culture be without these?

Similarly what the present generation of men finds, invents, discovers, improves, effects, excogitates

and devises not only serves for its own convenience, comfort and advancement in science and arts but also for all succeeding ages. For, men may come and men may go but civilization and culture go on for ever. No civilization is ever completely lost, as no country, race or nation is completely isolated from the rest of humanity. A given nation or country, a given civilization and culture may become stagnant and even deteriorate but its finer elements are taken up by its neighbours. The torch of civilization and culture has passed from country to country, from race to race. Thus civilization and culture which began at the dawn of history, continue their progress through ages growing in volume and strength like a stream on its way to the ocean.

We have thus entered into the inheritance of our ancestors. Who can disentangle the skein of our mental, physical and moral outfit? What we have inherited we use and enjoy, improve and hand on to our successors.

All social sciences therefore, and much more social economy must constantly bear in mind these characteristics of human nature—the individual and personal character of man, his social and perennial character of his activities—if they want to escape the pitfalls of liberalism on the one hand and of socialism on the other. Whereas liberalism errs by overemphasizing the individual nature and rights of man, socialism and communism ignore them and lay over stress on the social nature of man and his activity.

The fundamental difficulty of all social sciences is the right blending of these two aspects, individual and social of the nature of man in true proportions. Just as nature is said to abhor vacuum, so the human mind seems to be incapable of grappling with duality and to abhor it. It easily ignores either the one or the other aspect of the nature of man and serenely goes on erecting systems, as secure as an ostrich with its head buried in sand. Innumerable are the systems of thought in ethics, politics and economics which err in this manner.

## II

### *Social Justice*

From what has been said above, it is clear that the double aspect of man's nature should be constantly and clearly kept before the mind in all questions of ethics and economics, politics and sociology.

In sociology, with which we are here immediately concerned, this double aspect affects man's work as well as his possessions. Labour has an individual and personal aspect as well as social aspect. Property too has both an individual and social character. Likewise wages must take into account the personal and social character and needs of man.

The principles of just wages are treated of elsewhere in this symposium. Here we shall consider the just redistribution of the national wealth, which has so far been done mainly through wages paid on competitive basis. Wealth as has been shown, is a



national product all members and sections contributing their share thereunto. It stands to reason, therefore, that the results of national labour should be equitably distributed so as to ensure the general good or common weal of the nation. And "then only will the economic and social order be soundly established and attain its ends, when it offers to all those goods which the wealth and resources of nature, technique and the social organization of economic affairs can give. These goods should be sufficient both to supply all necessities and reasonable comforts and to uplift men to that higher standard of life which, provided it be used with prudence, is not only of no hindrance, but is of a singular help, to virtue" (Quadr. Anno. § 75).

This is, then, the canon or criterion of just distribution of the national wealth and income namely that it should take into account both the individual personality of the labourer and his social needs. He must have enough means to live and work as befits a human being. He must have enough leisure to recuperate his spent energy as well as to attend to the higher needs of mind and spirit. He must, at the same time, have freedom in the choice of work.

Judged by this canon the present distribution of the national wealth and income is, as the encyclical Quadr. Anno puts it, "gravely defective." On this point all schools of thought—liberal, socialist and Catholic are now at one. Neither the remuneration of labour nor the salaries of state servants are in conformity with the common weal or social justice. Com-

pare the civil list with the salaries of the lower ranks of government servants; compare the wages of workers with the salaries of managers or directors.

Thus through the operation of liberal economic principles of free competition and private enterprise it has come about that Industrialists and financiers were long able to appropriate too much to themselves. "Capital claimed all the products and profits, and left to the worker the barest minimum necessary to repair his strength and to ensure the continuance of his class" (Quadr. Anno, § 54).

Whether it is an inexorable economic law, as Marx and the Manchester school would have it, or not, wealth as a matter of fact accumulated in the hands of a comparatively few who, because they have wealth, control all avenues of power, social, economic and political; whilst the mass of the people in every nation became poor and subject to what G. B. Shaw in *Major Barbara* jestingly calls the seven deadly sins: food, clothing, firing, rent, taxes, respectability and children, or to what quite recently Sir William Beveridge, changing the metaphor, calls the five giant social evils of Want, Ignorance, Disease, Squalor and Idleness.

The root evil, then of all these social evils is the maldistribution of the national wealth and income.

Now this state of affairs is all wrong, unjust. For justice demands that the relations between man and man should be based on equality or equity. The equality of men is based first on their nature which is

common to all, constituting every one a person, subject of rights and obligations. Every man, then, has a right to what is necessary to life and well being. Second, the creator intended that the inexhaustible wealth and riches with which He furnished the earth should be for the good of all his children. Even the right to private property is derived from this principle "both in order that individuals may be able to provide for their own needs and those of their families, and also that by means of it the goods which the Creator has destined for the whole human race may truly serve this purpose" (Quadr. Anno, § 45).

The bill of man's social rights, then, is based on those two principles. Any law or practice which violates them is wrong, and naturally ends in results adverse to man's genuine interests as well as of society.

A system of distribution of the natural resources of the world in favour of one nation to the exclusion of the others is wrong. (Cf. the Atlantic Charter, n. 4.) A system of distribution of the products of industry heavily in favour of one class is wrong. A system of law which unduly favours one class over the others is wrong. A system of requiring and exercising political power by one class over the others is wrong. Justice demands that you do to others what you want them to do to you.

Now, as St. Thomas says, "it is proper to justice, as compared with the other virtues, to direct man in his relations with others: because it denotes a kind of equality, as its very name implies; indeed we are

wont to say that things are adjusted when they are made equal, for equality is reference of one thing to another" (ii.ii, q. 57, a 1). According as the "other" is an individual man, society or state, we have different kinds of justice. It is commutative justice which regulates the relations between individual men. These relations are easier seen in the transactions of the market, in the various kinds of contracts. Legal justice regulates the relations between man and the state. These relations are often the subject of law and deal with burdens and obligations which are imposed on the subjects of the state. Lastly there is the social justice which regulates the relations between man and society.

The aim and object of social justice is the securing of the common good of society. Thus social justice comprises all the relations between man and man concerning chiefly his economic activities. It requires that in all these relations a certain equality or equity should be observed so as to ensure the good of all and especially of those who are weaker or are at a disadvantage. It forbids one class or section of society to exploit other classes or sections of society.

In recent times, the economic problem has been looming large in the field of social justice. It is in the economic relations between master and servant, employer and employee that the demands of social justice have been left unfulfilled. "Social justice cannot be said to have been satisfied as long as working men are denied a salary that will enable them to

secure proper sustenance for themselves and for their families; as long as they are denied the opportunity of acquiring a modest fortune and forestalling the plague of universal pauperism; as long as they cannot make suitable provision through public and private insurance for old age, and for periods of illness and unemployment. In a word to repeat what has been said in Our Encyclical *Quadragesimo anno* :

“Then only will the economic and social order be soundly established and attain its ends, when it offers, to all and each, all those goods which the wealth and resources of nature, technical science and the corporate organization of social affairs can give. These goods should be sufficient to supply all necessities and reasonable comforts, and to uplift men to that higher standard of life which, provided it be used with prudence, is not only not a hindrance but is of singular help to virtue ” (DR. 52).

A clearer statement of the aim and object of social justice in economic relations than these words of Pius XI in his encyclical *Divini Redemptoris* it is hard to find anywhere.

World War II, however, has served to pose the question of social justice in its true perspective. Social justice is now made to include all that social Reconstruction implies, of which we shall speak below.

World War II, gave rise to one or two cases of enormous social injustice. The black market in its numerous forms sins against social justice. When commercialists or industrialists limit the supply of



goods on the market and force the buyer to offer exorbitant prices, social justice is clearly violated. That when this kind of thing is practised in prime necessities of life enormous crime against human life is thereby committed no one can deny.

In October 1945 the *Hindu* of Madras published the following information:

“Total rentals of toddy shops in several districts in this Province recently auctioned, for the period of one year from October 1945 to September 1946, amount to Rs. 5,35,93,575 as against Rs. 5,71,26,267 in the previous year, it is officially announced.

The total rentals for arrack shops in the districts of Salem, North Arcot, Chittoor and Cuddapah where the selling of arrack has been resumed on October 1 amounts to Rs. 18,00,828 for a period of six months ending March 31, 1946.

The total rentals for arrack shops for the entire Province in 1945-46 amount to Rs. 2,98,85,920.”

These huge sums do not represent the whole business; you must add to them the large profits the contractors make and then you will have some idea of the enormity of the evil of drink. Whose weakness is it that is thus encouraged and exploited by the toddy shops and arrack shops?—the poor labourer's. Who profits from this traffic? What are the effects of the vice of drink on family and society?—disastrous. With habits of drink, there can be no thrift, and without thrift no one can improve his condition.



Does not, then, social justice demand that this social evil be suppressed?

Take another case—horse betting. Horse racing is in itself a harmless thing. The pleasure and amusement people find in it no one can object to. But it is the occasion of betting on an enormous scale. Again if the owners of horses and people are those who can afford to bet, there can be no great objection. But betting at horse races is organized, legalized. In whose benefit? From whom is the money collected? Where does it all go to? What is all the flutter and flurry even in public offices on the eve of races? What is the effect of all this on the peace and well being of families and society?

But justice must be tempered with charity. Even though for the convenience of study they are separately treated of, they should not be separated in practice.

Nell-Breuning in *Reorganization of Social Economy*, p. 251, makes this apt remark. "Both social justice and social charity have been investigated but little by theology. Both are neither unknown or new to it, even though the terms have been introduced but recently." You have only to open and look at the contents of any current moral theological books to realize what small place is given in them to social justice and charity in comparison with commutative justice. Even sciences are not unsusceptible to social environment.

As though to make up for this deficiency and to call the attention of sociologists and moralists to it,

Pius XI wrote a pregnant and enlightening paragraph on social justice in his encyclical *Divini Redemptoris*. In paragraph 51 he says:

“In reality, besides commutative justice, there is also social justice with its own set of obligations, from which neither employers nor working men can escape. Now it is of the very essence of social justice to demand from each individual all that is necessary for the common good. But just as in the living organism it is impossible to provide for the good of the whole unless each single part and each individual member is given what it needs for the exercise of its proper functions, so it is impossible to care for the social organism and the good of society as a unit unless each single part and each individual member—that is to say, each individual man in the dignity of its human personality—is supplied with all that is necessary for the exercise of his social functions . . .” He then goes on to apply these principles to the distribution of the national wealth and income in which connection social justice is frequently spoken of.

But the principle of common good respecting the individual and social character of man is of wider application. It lies at the back of both legal and commutative justice. In commutative justice it is apparently the individual interests of the parties to the transaction that seems to determine the actions. Yet in reality it is the common good of the whole social body that is the ultimate norm. For it is only the common good or social justice that can furnish

an adequate explanation of the transactions of even the commutative justice.

Justice is equality and equity between the buyer and the seller, between the parties to contracts of various types. But what could there be that is equal between commodities or services which are bought or exchanged and which form the warp and woof of social intercourse, unless it be in the exchange of the same commodity? But then why should any sensible man exchange say three loaves of bread for other three loaves of bread of the same kind? But if the sale or exchange be between different kinds of goods and services, as in fact is the case, what is there common among them? What is there common between things like food, shoes, a house or a bed? "Now in truth it is impossible" says Aristotle in *Ethics* Bk. V, 5, "that things differing so much should become commensurate." Yet there must be some thing common to them all. That common element is, says Karl Marx,—“human labour.” (*Das Kapital*, I, 1.)

It is certainly true that human labour is the chief agent in creating values or utilities. But it is certainly not true that human labour is the thing that is exchanged in the transactions of the market. Nobody ever demands of a maker of a commodity and much less of a seller how much labour they expended on it. Often times it is impossible to decide that point. It is not therefore human labour that is exchanged but the utilities or use values that minister to one or some of our numerous needs and wants.

That is Aristotle's solution of the difficulty. He is certainly more profound than Marx. For he says "that usefulness, or want holds things together as a single unit is shown by the fact that when men do not need one another, i.e. when neither needs the other they do not exchange, as we do when some one wants what one has oneself, e.g. when people permit the exportation of corn in exchange for wine. This equation therefore must be established. And for the future exchange—that is to say, if we do not need a thing now, we shall have it if ever we do need it—money is as it were our surety; for it must be possible for us to get what we want by bringing the money. . . . This is why all goods must have a price set on them; for then there will always be exchange, and if so, association of man with man. Money, then, acting as a measure, makes goods commensurate and equates them; for neither would there have been association if there were not exchange, nor exchange if there were not equality, if there were not commensurability. Now in truth it is impossible that things differing so much should become commensurate, but with reference to needs they may become so sufficiently."

In other words, all intercourse between men is based on exchange of goods and services which are in turn based on our needs or wants which each man by himself cannot satisfy. Since goods and services have nothing in common in nature or physically, a common medium of exchange, money, has been invented, and all goods and services are equated and measured by it. Thus it is the touch of human needs which makes all

goods and services in some way of one quality or quantity. And money serves to measure them, to facilitate their exchange and to bring about human cohesion or solidarity.

Price or the amount of money given in exchange for a commodity bought or service rendered is only concretizing so to say and standardizing the needs and wants of man. That price is just which assures a decent living to all those engaged in producing, transporting and selling of that commodity. If they do not secure a decent living, if they cannot live by the fruit of their labours they will not produce such a commodity and society stands to lose by it and its wants go unsupplied. And in this sense Marx is right when he says that value comes from human labour.

Another point in the social intercourse of men, which has become the subject of age-long discussion, is the question of usury. Usury we take here to mean not the exorbitant charge of interest on money lent, but any charge of interest on such money. The condemnation of usury in this sense and the failure to arrive at a more reasonable solution of the question is due perhaps more than anything else to Aristotle's incomplete analysis of commercial operations and his consequent disparagement of all commercial and *a fortiori* all financial operations whose end is gain.

In *Politics*, Bk. I, 3, Aristotle distinguishes two aspects in commercial dealings. The one is the subject of economics in the original sense of the word, viz. the art of gaining a livelihood and as such it is restricted to procuring what is necessary for life and



useful either to the household or to the state. In the last resort the things thus necessary or useful are those that are produced by or found in nature. There is therefore a natural limit to the acquisition of goods of this sort, based as they are on the use value of things. It is good and praiseworthy to engage in these productive occupations.

Besides the use value, things have exchange value. The primitive form of exchange was barter. When barter gave place to money transactions, commerce greatly increased. It then became possible to accumulate money to which there is no limit. This art of making money Aristotle calls *chrematistics*. This *auri sacra fames*, the accursed thirst for gold is justly condemned and detested at all times, in all countries, by all religions and in all literature. Aristotle condemns it in these words: "Since *chrematistics* are a double science, one part belonging to commerce, and the other to economics, the latter being necessary and praiseworthy, but the former being based on circulation is justly censured (seeing that they are not based on nature but on mutual cheating), therefore the usurer is justly detested, inasmuch as money itself is the source of his gain, and is not used to fulfil the purpose for which it was invented. Money originated out of the exchange of commodities; but interest makes, out of money, more money. Hence its name "offspring." For the begotten are like those who beget them. But interest is money bred from money so that of all ways of making a livelihood, this is the most contrary to nature."



St. Thomas accepted these views of Aristotle and lent them the weight of his great authority. He was completely under the influence of the Philosopher when he wrote thus: "Trading, considered in itself, has a certain debasement attaching thereto, in so far as, by its very nature, it does not imply a virtuous or necessary end. Nevertheless gain which is the end of trading, though not implying, by its nature, anything virtuous or necessary, does not, in itself, connote anything sinful or contrary to virtue: wherefore nothing prevents gain from being directed to some necessary or even virtuous end, and thus trading becomes lawful" (ii. ii. q. 77, a. 4).

There is nothing of course debasing in trading considered in itself. It is the consequence of the social nature of man, and society among men cannot be thought of without the exchange of goods and services and trading facilitates this exchange. And *Quadr. Anno* corrects the above distorted view of Trading in these words: "Nor is it to be imagined that gainful occupations are thereby belittled or deemed less consonant with human dignity. On the contrary, we are taught to recognize and reverence in them the manifest will of God the Creator, who placed man upon earth to work it and use it in various ways, in order to supply his needs. Those who are engaged in production are not forbidden to increase their fortunes in a lawful and just manner; indeed it is right that he who renders service to society and enriches it, should himself have his proportionate share of the increased social wealth, provided always that in seeking this he

respects the law of God and the rights of others, and uses his property in accord with faith and right reason." (§ 136).

Failure to distinguish between use and abuse on the one hand, between justice and charity on the other, led many to condemn usury absolutely. Attempts were also made to drag in Sacred Scripture in support of it. But in vain. No absolute prohibition of usury could be found in it. The texts of the Old Testament which are frequently appealed to—Exod. xxii, 25, Deut. xxiii, 19—forbid at most usury in the sense of exorbitant interest, or the acceptance of any interest from a poor Jew by another Jew. The exact malice of usury is not defined either. Is it a precept of the natural law, like the fifth commandment or is it only a prohibition arising out of charity? Or is it a mere legal prohibition? The New Testament is silent on the subject. St. Luke vi, 34, 35 could be interpreted as an exhortation to disinterested charity! (A. Vermeersch in the Catholic Encyclopaedia: Usury.)

The moralists who condemned usury based their prohibition on the principle drawn apparently from Aristotle that money is unproductive and that it is only a fungible good (St. Th. ii. ii, q. 78, a. 1). Aristotle's analysis of money is here inadequate. He considers it only as a means of exchange and ignores the fact that it is at the same time a store of value. Nor is it quite exact either to say that money became productive only from 16th century onwards. It had that quality always, in its very nature, but opportuni-

ties of employing it for productive purposes were, prior to that century few. In every form of industry small or big three factors combine and contribute to produce fruit: intelligence, capital and labour (QA. 69). Capital has, therefore, as good a right for remuneration as labour or intelligence. What is wrong with the modern society is that capital has long been appropriating to itself a greatly disproportionate share of produce. Socialists are also wrong when they claim all the fruit of industry to labour alone. Social Justice, therefore, demands that all the three factors of production—intelligence, capital and labour—should receive each its due share of the fruits of industry. The criterion of due share is the common good of society and therefore all its members.

A loan of money has a right for interest not only when it is put to productive uses but also when it is not so used by the borrower. For human society or social intercourse among men is based on exchange of not only commodities but also of services. And most services produce no visible, tangible thing. In some services remuneration is demanded irrespective of results. If doctors were to be paid only on the recovery of patients, there will be still fewer doctors to attend to the increasing ills of humanity and to the patients who most need them. There will be fewer lawyers in the land if they were to get paid only for successful suits. No, it is not fruit or result you pay for but only the service rendered. And this because common weal demands that there be enough people to render the services society stands in need of.

That is why in spite of the prohibition of many moralists, reformers and religions, usury never disappeared from any society in any age or country ; for the usurer supplies a need of human society, as it is at present constituted. Society would never be so constituted as all men would be dead-equal economically. Capacity, skill, health, strength, vicissitudes of life which condition economic means are never equally distributed among men by nature. And a man who possesses an economic advantage or money would part with it only for love, relationship, friendship or philanthropy, or on compulsion of force or for a hope of gain i.e. of receiving more than he gave, which is interest.

God never meant that mutual dealings between men should be governed by charity or love alone. That would be anticipating heaven. Here below, mutual relations should be governed also by justice. The combination of justice and charity, to determine when either of them should prevail is often a very difficult task not only for the individual but also for the legislator.

When usury gave rise to grave abuses and became a social evil, when usurers pitilessly ground the faces of the poor, ecclesiastical law, having an eye to the precept of fraternal charity which should govern the dealings between the faithful, forbade usury. The civil law attending more to justice fixed a reasonable rate of interest. Reasonableness consists in this that on the one hand enough loans should be available for those citizens who need them and on the other hand

rates of interest should not be so high that the needy and poor borrower could hardly be able to pay back the principal plus the interest within reasonable time and without too great a loss, suffering or damage to himself, his family or his business. Here again common good is the norm.

### III

#### *Social Reconstruction*

One good result of the World War II is the general realization both by the governments and the peoples of all nations and countries that the present distribution of the national wealth and income is gravely defective and the determination to mend it by all means if not to end it. Hence the talk of social reconstruction, which is spoken of everywhere in the press and on the platforms.

Plans are being made in every country, important studies of social problems are undertaken both by the governments and the political parties. Proposals are made on all sides as to how to end or at last to defeat and conquer the five giant social evils of Want, Ignorance, Disease, Squalor and Illness and thus bring about the reign of social justice.

In India, the industrialists put forward already two years ago the Bombay Plan; the Radical Democratic Party brought out the People's Plan and Dr. Agalwar under Mr. Gandhi's inspiration evolved a third plan. The central government is forging its own plan, many provincial governments and some native states have already completed their own.



The principles underlying and directing all these momentous and gigantic schemes of social reconstruction are those of social justice which have been mentioned above. Man is a person and as such has a right for a decent living. National wealth is a joint production of all the members, classes and ranks of society and therefore should be equitably distributed among them all.

Besides the objective of bringing about the equitable re-distribution of the national wealth, those who plan Indian economy are faced with a greater difficulty, viz. that of increasing the national output. The Bombay planners call their memorandum "A Plan of Economic Development for India." They speak, in the first part of the Plan, of increasing the efficacy and productivity of industry to approximately five times the present output and of agriculture to a little over twice the present figure in order to bring about a doubling of the present per capita income within a period of 15 years from the time the plan comes into operation. It is not to be thought, however, that industry is unduly favoured, for India is at present very predominantly agricultural. In order to bring about a balanced national economy, a large portion of agricultural labourers has to be drawn away from agriculture into industry. Besides India is in sore need of enormous quantities of commodities and implements of crafts, industries and agriculture. Its dependence on foreign countries for these essential commodities must no longer be allowed to continue. This can be achieved only by developing and expanding home industries.

In Part II of the Plan, they speak of the equitable distribution of the wealth so increased. For distribution is the chief thing even from an economic point of view, for there is no meaning in producing commodities except to serve the wants of people. Production by itself solves neither the problem of poverty in India nor that of maldistribution of wealth. Even at present more food is produced in the world than can be consumed. We have already reached the stage in industrial and mechanical efficiency where more clothes, shoes and other commodities could be produced than be used. The same must be said of the pre-fabrication of houses or of the building industry. The question now is one of equitable distribution according to the principles of social justice so as to conquer the five giant social evils.

**Want :** Lack of the prime necessities of life—food, clothing and shelter—constitutes want. There is no need to quote figures and percentages to show that the people of India are greatly suffering from want. Any one who has eyes to see can see want stalking naked through the land, in the country more than in towns, stunted and emaciated bodies half naked or clad in rags are the damning evidence against the injustice of the present distribution of wealth. Overcrowded slums and mud-built, ill-ventilated, bare, unclean hovels tell their own sad tale. All the plans of Social Reconstruction aim at remedying these and other social evils. They aim at producing more food, more clothes, more and better houses and distributing them equitably among the people. Capitalism has

taught the world how to produce things in abundance and social justice will now ensure their equitable distribution.

**Disease :** All flesh is heir to disease and death. We cannot liquidate this giant as we may want. So far he has been roaming about the country unopposed. True, some epidemics like the bubonic plague and smallpox have already been brought under control. There are others like malaria which have not yet been conquered. The medical needs of the country in doctors, nurses, hospitals and medicines are colossal. The campaign against Disease must include not only curative but also preventive measures.

**Ignorance :** This is the weakest of the giants, which must be liquidated. Just as want has resulted from the maldistribution of the national wealth and income, so ignorance prevents men from having an adequate share in the civilization and culture of the nation. With freedom from want the need to employ children in labour will have disappeared. Since children are the next generation of citizens they must all be educated according to their talents and propensities to undertake the tasks of life. Education must fit them not only for clerical, but also for technical jobs both in industry and agriculture as well as for professional careers. Nor are the adults to be neglected. It is as unnatural to cease education at fourteen as to die at fourteen. Facilities must be created to keep up the knowledge acquired in school and to improve it in adult-life. The press, the radio, the cinema and the

stage may be put to profitable use not only to entertain but also to inform, instruct and educate the nation.

**Squalor :** It is a satellite giant in the play of Want, Disease and Ignorance. When they are liquidated, squalor in persons and in houses will automatically disappear from the face of the land. Schools should not only teach children rules of cleanliness but should make them practice not only in school and at home but also in all public places.

**Idleness :** Idleness, meaning mass unemployment, is the greatest of the giants. It is through employment of some sort that almost all men make their living. When they lose their job the wolf is at the door. Only previous savings, government dole or charity can keep it from the door.

This giant can never be completely destroyed. There will always be some unemployment, seasonal, local or sectional, due to changes in processes, changes of fashions, completion of works and so on. Against these contingencies the national insurance schemes are devised.

Seasonal agricultural unemployment in India is a very tough nut for economic planners to crack. The Bombay Plan cracks it in this way : "The agriculturist and the agricultural labourer are generally without work for periods extending from 3 to 6 months in the year at present. This unemployment occurs at intervals and is of a seasonal character. Provision of work during

these periods of seasonal unemployment is of importance if a policy of full employment is to be successful. The steps which we contemplate for achieving this object are: (i) introduction of mixed farming, i.e. cultivation accompanied by dairy farming, market gardening, etc., (ii) cultivation of more than one crop in a year with the help of better irrigation facilities and increased use of manures, and (iii) provision of subsidiary industries which the cultivator can take up when he has no work on the farm. Among such subsidiary industries may be mentioned the following: spinning and weaving, shoe making, tanning, gun making, soap making, oil crushing, fruit preserving, basket weaving, flour and starch making etc." (P. ii, s. 14).

According to the diagnosis of Lord Keynes unemployment is born of a lack of economic means. Employment—demand for labour—means spending not only by a few who have more than enough money (investment), but by the generality of the nation or the world consumption. When people have less money, superfluities are generally the first to drop. As commodities are not sold, industries have no inducement to make them. Hence unemployment sets in first in one industry and then in another until all industries, transport and commerce, except the most essential for life, are involved and thus slump or general unemployment descends on the land.

Thus it is clear that money and credit have no small a part in maintaining full employment. It is also clear what part the government has to play in



stage may be put to profitable use not only to entertain but also to inform, instruct and educate the nation.

**Squalor :** It is a satellite giant in the play of Want, Disease and Ignorance. When they are liquidated, squalor in persons and in houses will automatically disappear from the face of the land. Schools should not only teach children rules of cleanliness but should make them practice not only in school and at home but also in all public places.

**Idleness :** Idleness, meaning mass unemployment, is the greatest of the giants. It is through employment of some sort that almost all men make their living. When they lose their job the wolf is at the door. Only previous savings, government dole or charity can keep it from the door.

This giant can never be completely destroyed. There will always be some unemployment, seasonal, local or sectional, due to changes in processes, changes of fashions, completion of works and so on. Against these contingencies the national insurance schemes are devised.

Seasonal agricultural unemployment in India is a very tough nut for economic planners to crack. The Bombay Plan cracks it in this way : "The agriculturist and the agricultural labourer are generally without work for periods extending from 3 to 6 months in the year at present. This unemployment occurs at intervals and is of a seasonal character. Provision of work during

these periods of seasonal unemployment is of importance if a policy of full employment is to be successful. The steps which we contemplate for achieving this object are: (i) introduction of mixed farming, i.e. cultivation accompanied by dairy farming, market gardening, etc., (ii) cultivation of more than one crop in a year with the help of better irrigation facilities and increased use of manures, and (iii) provision of subsidiary industries which the cultivator can take up when he has no work on the farm. Among such subsidiary industries may be mentioned the following: spinning and weaving, shoe making, tanning, gun making, soap making, oil crushing, fruit preserving, basket weaving, flour and starch making etc." (P. ii, s. 14).

According to the diagnosis of Lord Keynes unemployment is born of a lack of economic means. Employment—demand for labour—means spending not only by a few who have more than enough money (investment), but by the generality of the nation or the world consumption. When people have less money, superfluities are generally the first to drop. As commodities are not sold, industries have no inducement to make them. Hence unemployment sets in first in one industry and then in another until all industries, transport and commerce, except the most essential for life, are involved and thus slump or general unemployment descends on the land.

Thus it is clear that money and credit have no small a part in maintaining full employment. It is also clear what part the government has to play in

controlling and distributing currency and credit so as to eliminate the periodical economic crises known as booms and slumps, in order to maintain uniform full employment in the nation.

We must here dispose of an objection of some weight against the government's undertaking Social Reconstruction programme. The objection is this: the nation cannot afford it. Even in normal times the government finds it difficult to balance its budget. Wherefrom are the huge sums of money needed for Social Reconstruction to come? From taxation? Impossible! So runs the objection. What is the answer?

There are several answers. 1. Even the Bombay planners who cannot be accused of ignorance in monetary matters were not at all moved by this objection. In P. I. ch. iv. they squarely face the difficulty and clearly indicate the sources of finance. 2. The objection ignores the revolution brought about by the war in the ideas of money, credit and public finance. Money can be created as much as is wanted for co-ordinating raw material, skill and consumption. What is not so easy to create is raw materials and skilled workers. Unlike gold, credit is unlimited, inexhaustible.

See how the World War II was financed and how all wars are financed. As Mr. Roosevelt reminded the press conference prior to the inauguration of the world famous Lend-Lease in 1941, "no major war in all history had ever been won or lost because of money. In 1914 the bankers had all assured us that

the war would probably not go on for more than three months because of lack of money . . .” They said the same again when in 1937 Japan began its war of aggression on China. Eight years later when Japan utterly collapsed, we know it is not due to lack of money. No, no government ever lacked money for purposes of war. England spent £ 12,000,000 sterling a day for five years. The U.S.A. spent in the fiscal year, which ended June 30, 1945, more than \$ 90,000,000,000 ; whereas the world famous TVA had cost in ten years, 1934—1943, only \$ 667,969,270 to reconstruct a country about the size of England and Scotland with a population of about 4,500,000 persons. Even this huge sum would, it appears, be repaid in 30 years. Meanwhile what benefits have accrued from this successful experiment which outdoes the Russian one, not only to the people concerned to their country but also to rest of the world by blazing the trail of reconstruction, who can say? The TVA has conclusively demonstrated to the world that you need no totalitarian dictatorship, no communist government to organize and work out social reconstruction schemes. Without spilling a drop of human blood, without destroying a single human life, leaving to people all legitimate liberty and private initiative, the Tennessee Valley Agency has succeeded in effecting the greatest piece of constructive planning the world has seen so far.

In the light of these facts, it is strange, therefore, that people should talk of lack of money for social reconstruction schemes. What Lord Wavell

had said in a speech in London just before he came out to India as Viceroy is worth remembering. "It has always seemed to me a curious fact" he remarked, "that money is forthcoming in any quantity for a war, but that no nation has ever yet produced the money on the same scale to fight the evils of peace—poverty, lack of education, unemployment, ill-health" (The Bombay Plan, S. 7).

The schemes of social reconstruction, then, are aiming to do away with the neglect and injustices of centuries in the distribution of national wealth and national income, and to bring about the reign of social justice into human relations. It is a Herculean task. It is not only a few stables that need cleaning, but the whole length and breadth of India from the Himalayas to Cape Comorin, from Assam to Baluchistan. The muck has been gathering for hundreds upon hundreds of years in the economic, social and political organism of society. No individual is equal to this gigantic task. The co-operation of all sections and classes of society, all government departments, all schools, colleges and universities, all associations economic as well as cultural is needed to this stupendous task of Social Reconstruction of India on the principles of social justice and social charity.

Men of good will all over the country, unite!

P. RAYANNA, S.J.



# THE PRINCIPLES OF A JUST WAGE



In laying down the principles for a just wage several factors must be taken into consideration. Labour is not a mere commodity like the other factors of production which are non-human. Labour is personal in so far as it is inseparable from the working-man and involves his whole personality. It is also necessary for the propertyless wage-earner since it forms the only source of income from which he is to obtain a living. It is further not only individual but also social in character. The social nature of labour is unmistakable in our highly industrialised system of production, since neither capital nor labour can do without the other party, and wage levels in different industries affect one another. Last but not least, the economic value of labour under healthy economic conditions has to be taken into account.

## THE GENERAL MEASURE FOR A JUST WAGE

When in normal circumstances a man freely undertakes to carry out a certain work, the economic value of his labour is obviously the measure for a just wage. Just this economic value justifies the higher wages for the more skilled workingmen. To pay less than this value by taking advantage of the weak bargaining power of the labourer is decidedly unjust.

By normal circumstances, we understand that the economic value of his labour would be sufficiently

high to secure the labourer a wage which is adequate to provide for himself and his family.

### THE MINIMUM JUST LIVING WAGE

A totally different situation arises when the economic value of a man's labour falls short of the minimum level of his wants. A wage paid according to this value would be inadequate to meet his legitimate requirements. In such circumstances the personal value of labour comes into play which introduces a second norm in determining the value of work done, and what would be a just wage.

Since every man has a natural right to a decent living (which is also demanded by the general welfare) and since the labour of the propertyless wage-earner is his only source of income, his wage must be at least a living wage, irrespective of the economic value of his labour. Hence when the economic value of labour falls short of the minimum level of wants, two norms have to be applied: the economic value of labour and the wants of the labourer. In such circumstances wages fall into two parts:

(a) a fixed part according to the value of labour performed;

(b) a movable part to supplement the wants of the labourer;

The requirements of the second part are most efficiently met by a system of family allowances which supplement a lower basic wage according to the number of children.

Such a situation is obviously one of emergency and must be treated as such. We may differ in opinion as to who has to supplement the wants of the labourer—the state, the employer, or both—in any case a collective fund ought to be created to meet the requirements of the movable part as far as possible. The very failure to keep these two aspects of wages distinct has caused a lot of confusion on the question of the family wage. ‘Just wage’, ‘living wage’ and ‘family wage’ are different concepts since they are derived from different principles. To use them indiscriminately is bound to obscure the whole issue. Whatever the practical difficulties of calculating the economic value of anyone’s labour, this is the only logical approach to the problem.

#### FAMILY WAGE OR FAMILY ALLOWANCES ?

Quite a different issue is raised by demanding the absolute family wage for *every adult worker*. This wage is linked up with the question what the *economic* value of labour *ought* to be in order to secure for the labourer not only a mere living wage, but also a fair share in the surplus product. If the economic value of labour came up to this wage level, the question of the family wage would retain only an academic interest since such a wage would be paid automatically according to the general principles of justice.

The absolute family wage is calculated according to the needs of a family taken as a type (usually husband, wife and three dependent children). It is obvious that the mere wants of the unmarried

labourer or childless family offer no claim for such a wage. On what grounds then is the absolute family wage for every adult worker being demanded?

Its justification is derived from the fact that the family wage presents the *minimum* demand for *normal* conditions in the economic system—and this for two reasons:

First of all, our economic system can be said to be normal when the economic value of labour is such that its remuneration provides the majority of workers with an income sufficient to meet the needs of an average-sized family. As long as the wages of vast numbers of workers with an average-sized family are inadequate to provide for their needs and have to be supplemented by such stopgaps as family allowances, economic conditions cannot be called normal. The very existence of emergency measures on a large scale testifies to the existence of *abnormal* conditions. These measures may be useful and even imperative in such circumstances, but they cannot be regarded as the *final* solution of the wage problem.

Secondly, the present economic system, in which the majority of labourers are forced to remain propertyless wage-earners and which allows superabundant riches to accumulate into the hands of a few, cannot be called normal and just by any stretch of imagination.

Moreover, true freedom, which does full justice to the personal dignity of the labourer, demands economic independence and, consequently, a more equal distribution of property. History has proved this over and over again, and the despotic economic domination exercised by the controllers of wealth brings additional proof to this, if any more proof were needed.

To reach this goal a family wage for every adult worker offers at least a minimum of opportunity to

acquire a moderate ownership. Such a wage is therefore not more than a *minimum* to bring about more *normal* conditions in this respect. (cfr. Q. A. 61-63)

A deep, fundamental issue is here at stake which touches upon the very nature of our freedom.

A great advance in the ideal of freedom has been made by linking up conditions for true freedom with certain measures for the welfare of the labourer. At long last it has dawned upon the die-hards in democratic countries that the right to talk is a pretty cheap one when there is no freedom from want or insecurity. But another danger is confronting us now as the result of man's age-old inclination to combat one extreme by another. In our anxiety to free the world from all want and all insecurity in the shortest possible time we are liable to overreach our goal and undermine our freedom from another direction. The very devil of totalitarianism we have been fighting so hard at our front-door may creep in by the back-door, if we allow planning to become a mania for the sake of freedom from want and insecurity. Its importance may be great—no one denies this—but it is not the only problem of labour. It is of the highest importance to realize this since our ideas about the value of labour determine our concept of freedom. What value do we attach to labour? (not only how much, but even more what kind of value). This is the all-important question. One-sided views about the value of labour will of necessity produce warped ideas about freedom. The independent artisan working with his own capital raises very few problems. His chief concern is that all artisans are sufficiently organised to prevent cut-throat competition. The Guilds of the Middle-Ages are a wellknown example. Labour is for the independent artisan not only a source of income to meet his material wants, but is also the chief means of developing his personality and creative talents, and of providing a social status for himself and his family.

Industrialism with its division of labour and division of capital and labour turned the labourer into a propertyless wage-earner. Labour was reduced to a mere commodity—



one of the factors of production. For a long time it was kept on the same level with the other, nonhuman factors of production. The spiritual and cultural needs of the labourers were totally neglected. In the social-minded countries the worst consequences of this division of labour and division of capital and labour have now been removed. *But the most fundamental issue is still in the balance.* Is labour going to have only an economic value as under the capitalist system, or, shall we go back to the Christian ideal of using labour again as the most powerful means of developing the labourer's personality and creative talents?

Socialism is in agreement with capitalism on the fundamental assumption that society should be organised for the maximum production of material wealth, and that the concentration of resources of production is necessary to that end. Their difference is only one of method. In the socialist state the spiritual and cultural needs of the labourers will probably receive more attention, but they will be met *outside* labour—in the leisure-hours. Labour as such will only have an economic value and will remain a mere commodity as it was under capitalism. This is inherent in excessive centralization. The wage system will of necessity be on the consumption-level. The ideal will be freedom from want and insecurity, and a system of family allowances to obtain more equality, in the consumption-level. The proletarian 'status' (if one can call this a status!) of the vast masses of labourers will be left untouched.

This materialistic view of the value of labour will seriously compromise our freedom. If the value of labour exists in being a part of Big Machines, then we must be prepared for totalitarian methods. It is inherent in the system.

Christian social reformers do not want to use labour merely for economic ends. It must be arranged and conducted in such a way that it will have a wholesome influence on man's spiritual and cultural development. It must not only be in accordance with human dignity—it must serve his human dignity. Harmony of Capital and Labour must be brought about through functional, autonomous groups to

serve the community and not the selfish interests of either Capital or Labour. Decentralised methods in production are favoured as far as this is feasible to provide opportunities for progressive efficiency. Man must not be allowed to lose his power of initiative to become mentally stunned and a mere cog in the wheel. The ideal is economic independence for the majority at least to secure social status and social stability, and to build up the best possible safeguards against totalitarian dangers. A wage-system is advocated which will bring about a better distribution of property, and the absolute family wage is meant to be the minimum demand in this respect.

Whilst then the economic value of one's labour remains the general measure for a just wage, this measurement may have to be corrected and supplemented by two minimum demands—an immediate and an ultimate one. The labourer's wants require a minimum just living wage which may call for emergency measures like family allowances to supplement an inadequate living wage. Sound and normal economic conditions require a minimum just efficiency wage or the absolute family wage which calls for social and economic reforms to raise the economic value of labour to this level.

Although the absolute family wage presents a demand of social justice, it cannot be demanded in strict justice under the present economic conditions because the economic value of labour falls short of this wage level, as will be shown presently:

*Ethically:* as the supplementary part of an inadequate wage is based on the wants of the labourer, the family wage cannot be demanded for the unmarried labourer or the childless family in such circumstances. The insufficient

wage ought to be supplemented, as far as possible, by family allowances according to needs.

*Economically*: it would impose an impossible burden on the business and cause widespread unemployment. This is clearly borne out by available statistics. The Pope, in discussing the social aspect of wages in '*Quadragesimo Anno*', makes the same reservations in the demand for a family wage. He mentions the conditions of any particular business and the general welfare; and calls it a grievous wrong to demand wages which would ruin the business or cause economic disorder and widespread unemployment.

(Q. A. 72-74)

Except then in special circumstances when the payment of such a wage is very well feasible, the absolute family wage is to be used as a *norm* for raising the economic value of labour. A great controversy, however, has sprung up between the moralists and economics over the possibility of the absolute family wage. This conflict is typical for their different ways of approaching a socio-economic problem.

The economic experts have satisfied themselves by means of statistics that the idea of the absolute family wage is totally unpractical. Consequently, they have drawn the conclusion that it should be dropped altogether and be replaced by a system of family allowances.

The moralists have satisfied themselves that the moral grounds for demanding the absolute family wage are fully convincing and present a case of social justice. Hence their belief in such a wage, and their insistence on treating family allowances as emergency measures and makeshifts.

(A) *The Case of the Economists*

The economists point out that the absolute family wage has never been achieved yet by a wide margin, in even the most prosperous countries of the world, and that all available statistics prove it to be unachievable in the near future.

Eleanor Rathbone just scorns the idea of a family wage as 'a will-o'-the-wisp, likely to lead the workers nowhere but into a morass of muddled thinking and frustrated endeavour.'

By means of statistics she goes on to show:

First, that even if such a 'living wage' were achieved, a large proportion of the families with children would still remain undernourished and in poverty. Secondly, that it has never yet been achieved in Britain even in most prosperous years, nor—allowing for difference in standards of 'human needs'—in any other country.

Thirdly that it has no prospect of being achieved within measurable distance of time.<sup>1</sup>

But could not a family wage be secured for all adult workers, if the immense inequalities of income as between rich and poor were levelled out? Here is the answer of Lord Stamp, the chief economic adviser to the War Cabinet:

'For 1919-20 if all individual incomes in excess of £ 250 per annum were put into a pool, and from the pool was first taken the taxation being borne by individuals (out of the income so pooled) and also the amount necessary to the community for savings on the pre-war scale, and the balance left in the pool were shared out to all as an addition to spendable income the addition would not exceed 5s.

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<sup>1</sup> *The Case for Family Allowances*, (Penguin ed.) p. 41-42.

per week to be added to each family for the first occasion, and probably less afterwards.<sup>1</sup>

Economic experts in the United States and Australia have long ago declared the family wage to be unachievable, because the amount required would considerably exceed the national dividend.

It was calculated in America by Prof. Paul Douglas that such a wage basis (at \$ 1,700 a year) would absorb 82 per cent of the entire income of the U.S.A and would result in providing for forty-five million fictitious wives and children.<sup>2</sup>

The experience of Australia is even more convincing. A Royal Commission was set up in 1919 whose chief business it was to determine the actual cost of living for a man with a wife and three children under fourteen years of age. After thorough inquiry the verdict of the Chairman, Mr. Piddington, on the findings of the Commission was that such a wage basis would have the following effects:

(a) To provide for 2,100,000 non-existent children and for 450,000 non-existent wives.

(b) To leave all families with more than three children to suffer privation.

(c) So to increase labour cost that the industries manufacturing for export would probably be ruined.

(d) So to increase labour prices that the basic wage would have to be again raised within a few months in order to maintain the decreed level of comfort, and that this would lead to an interminable race between wages and prices.

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<sup>1</sup> id. p. 45.

<sup>2</sup> id. p. 46.



He then proposed as the true solution that the fiction of the typical family should be abolished, and that the basis of the minimum wage should be the needs of a man and wife, to be supplemented by family allowances.<sup>1</sup>

(B) *The Case of the Moralists*

In spite of statistics and opinions of economic experts, there is a strong and persistent belief among moralists that the absolute family wage need not remain a utopia, provided *our economic system becomes normal and sound*. This implies that the absolute family wage is to be used as a *norm* indicating the level to which the economic value of labour must be raised. This is an altogether different question from the actual payment of this wage under the present circumstances. A lot of misunderstanding and confusion is due to treating them as one problem. Von Nell-Breuning, in his commentary on the papal encyclical *Quadragesimo Anno*, puts the case very clearly :

The value of work depends, as already sufficiently indicated, upon the position it holds in the structure of the economic system. Commutative justice demands of both parties to the labour contract that the one does not demand more than this value, and that the other does not pay less than this value. If the economic system is working properly, and if both parties will give labour its proper place in this system, thus enabling it to do its share, then, certainly, will the value of this performance be equal to family needs and consequently a family wage should be paid in accordance with justice. If, however, the economic structure is disturbed,

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<sup>1</sup> id. p. 81-84.

or if it proves to be impossible to give labour its proper place in the system, then the value of work done will more or less fall short of family requirements. Then the employer cannot be required either on the basis of commutative justice or for some other reason, to pay family wages. On the contrary, in this instance he is unable to pay them. The attempt to pay them in spite of it would merely result in further dislocation of the economic structure, and would endanger the employer himself.<sup>1</sup>

Social reformers, however, cannot ignore the findings of the economic experts. Statistics have to be faced. A mere claiming of the absolute family wage on moral grounds can only lead to frustration, unless it is proved to be very well feasible.

Miss Rathbone's criticisms of the basic family wage have been answered by Lewis Watt.<sup>2</sup> As regards Lord Stamp's calculations about the national income he draws the attention to another analysis of the national income made by Lord Stamp and Mr. Bowley in 1924 which does not confirm the earlier quotation and does not prove the basic family wage to be impracticable. He further cites Mr. Rowntree's views from his book *The Human Needs of Labour* (rev. ed. 1937) which shows him to be in striking disagreement with Miss Rathbone:

It is to-day well within the economic power of a country so rich as ours to ensure to every adult male worker an income that will enable him to provide his wife and dependent children with the wherewithal of physical efficiency. How can it be done? The responsibility falls, in the first place, upon those who employ workers, whether in industry,

<sup>1</sup> *Reorganization of Social Economy*, transl. by Dempsy, p. 177.

<sup>2</sup> *Family Allowance for Wage-Earners* (Catholic Social Guild), p. 11-12.

agriculture or commerce. It is only reasonable that no surplus profits should be retained by them, or distributed to shareholders, until adequate minimum wages have been paid to all workers. (p. 129)

Mr. Rowntree goes on to propose that Trade Boards be set up for all industries where adequate minimum wages are not being paid, with legal powers to fix, for men of ordinary ability minimum wages which would enable them to marry, live in a decent house, and bring up a family of normal size which he assumes to include three dependent children—in a state of physical efficiency, while allowing a reasonable margin for contingencies and recreation. (p. 130) He maintains, after his experience as a member of a Trade Board for twenty-four years, that either by increased efficiency in individual enterprises, or improved organization of whole industries or both, the vast majority of industries would be able to meet the increased wage costs.' (p. 133). In order to give time for industrial reorganization to increase, he suggests five years as the maximum period before making the minimum wage obligatory throughout industry, for the step must not be taken so rapidly that it defeats its own purpose by an all-round increase of prices. (p. 132)

Against this must be said that the basic family wage has found no place in the Beveridge Plan, and that even Trade Union officials are of the opinion that there is no chance of establishing the basic family wage, sufficient for all the human needs of a naturally normal family. The National Council of Labour has

approved of the principles of the Beveridge Plan which proposes a state paid system of family allowances.<sup>1</sup>

F. J. Haas answers the objections of the economic experts for America in the following way:

'It is erroneous to presume that the amount of the national dividend is fixed and cannot be increased—it is capable of indefinite increase. Again, the mechanical equipment of American manufacturing industries is so vast that it is capable of turning out a much larger volume of consumable goods than is actually produced. According to Mr. James J. Davis, Secretary of Labour in Pres. Hoover's Cabinet, 14.5 per cent of the 1,500 boot and shoe factories employ 60.4 per cent of the workers in the industry, produce 65.6 per cent of the output, and could, with steady work for three hundred days per year, produce all the boots and shoes that are needed. In the flour industry, 2.8 per cent of the 8,019 flour mills employ forty-two per cent of the workers in the industry, produce 62.1 per cent of the total output, and could, with full-time employment produce practically all the mill products that could be consumed. A still more striking condition exists in the bituminous coal industry.

Another item is the national luxury bill which is estimated at twenty-two billion dollars per year. Even if half of this amount is regarded as necessary for reasonable comfort, there still remains the sum of

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<sup>1</sup> Cfr. *A Catholic View of the Beveridge Plan*. (Catholic Social Guild) by Lewis Watt. p. 16.

eleven billions which might be released towards the payment of living wages. Vast savings could also be effected through the elimination of waste in production and marketing, in fashions, and in competitive advertising. All these facts, namely, the natural wealth of the country, the enormous potential productivity of manufacturing facilities, and the huge costs of luxuries and wastes clearly indicate that the national dividend is capable of indefinite increase and that therefore all productive workers can be paid a family living wage.<sup>1</sup>

Let us analyse the position a bit further.

As the payment of a family wage to every adult worker depends on the possibility of raising the economic value of labour to this level, the whole question—on the economic side—is in last instance one of 'surplus.' The concept of surplus is multiform and can be understood in many ways. Here we take it in its most simple and fundamental form. The combination of labour and capital greatly increases the efficiency and productivity of labour with the result that a 'surplus' product is being created. Available statistics seem to show that the *economic value* of this surplus product is not high enough under the present capitalist system to raise average wages to any great extent, if this surplus were divided among the labourers. A mere increase in wages is therefore no solution. Together with a more equitable sharing of the surplus product we must increase its economic value and also try and raise its amount. All the three methods by

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<sup>1</sup> Cfr. *Man and Society*, p. 367-368.



which wages can be increased must be exploited and combined, if we are to obtain our goal :

(a) Improved methods of production and elimination of waste to raise the amount of the surplus product.

(b) Proper relationship between wages and prices to increase the *economic value* of the surplus product, and consequently, of labour.

(c) Less payment to capital to secure an *adequate share* of the surplus product for the labourer.

Our aim would be substantially realized, if not altogether, if these means were properly explored and co-ordinated.

(ad a) The first method is obvious and does not require further comment, except that mere planning is no solution. A planned economy makes mistakes of its own which are equally wasteful. A happy blending of freedom and planning is required.

(ad b) As regards increasing the economic value of the surplus product, very much can be achieved by stabilizing prices between a minimum and a maximum—at least for all basic consumption goods ; and by regulating the supply of credit in accordance with the general welfare.

In our capitalist system goods are produced for sale only. When production goes beyond effective demand prices fall sharply, production is cut down, workers are shut out, and we behold the amazing spectacle that many people cannot obtain the basic necessities of life because we produced too much of it!

There is no 'demand' for it!! Moreover, when the economic value of goods is allowed to fall considerably, wages must come down as well. Consequently the economic value of labour is bound to be very adversely affected as long as prices are not steady and supply of credit is being manipulated for private profits at the expense of the community. Here is obviously much scope for improving the position of labour.

(ad c) The economic experts would make us believe that the present great inequalities of wealth and income hardly make any difference for the propertyless wage-earner—only some 5s. per week, according to Lord Stamp. His Lordship came to a different conclusion, however when he made a new analysis a few years later. But whatever the conclusions might be, this kind of statistics is deceptive for more than one reason.

First of all, the unbalanced state of affairs under the capitalist system compromises statistics about National Income which is measured in quantities of money-income, because it does not give a true picture of our real wealth and productive capacity. As soon as we get plenty for everybody the economic system goes out of gear and the National Income is reduced! The first requisite of a yardstick is stability. We can imagine the confusion and injustice, if our measures of length and weight were allowed to alter. But why then has money as a measure of value been allowed to alter and to grow long and short? Therefore, statistics of the type of Lord Stamp's are not the last word

in the matter and must be taken with a pinch of salt. Money, being our most important measure of value, must be controlled. Further, is it necessary to deduct all taxations and necessary savings from the surplus above £250, to leave all income of £250 and lower for consumption? Sir William Beveridge does not seem to think so. His plan for Social Security is of necessity based on a redistribution of income. But he himself says in this respect: 'Correct distribution does not mean what it has often been taken to mean in the past—distribution between the different agents of production, between land, capital, management and labour. Better distribution of purchasing power is required among wage-earners themselves, as between times of earning and non-earning, and between times of heavy family responsibilities and of light or no responsibilities.' (p. 449) This means, of course,—as the *New Statesman* observed (27-2-43)—that most of the cost of the plan will have to be met by the working and middle classes.<sup>1</sup>

Mr. Horsefield has calculated that less than 50 per cent of the national income would suffice to secure the 'Essentials', as he calls them, for the whole population. And his scheme of allowances is 30 per cent above the standard set by the Bristol Social Survey of 1937 whose budgets were constructed largely along the lines of the B. M. A. recommendations.<sup>2</sup>

<sup>1</sup> Cfr. *A Catholic View of the Beveridge Plan*, by Lewis Watt, p. 13-14.

<sup>2</sup> *The Real Cost of the War*, by J. Keith Horsefield, p. 83, etc.

As regards savings for maintenance and renewal of capital, a very important item is being overlooked. Since the majority of people are propertyless wage-earners, we have got into the habit of treating people as mere consumers. A mere wage-system puts people on the 'consumer-level', i.o.w. people only think of more comfort and luxury. A propertyless wage-earner, after having insured himself against all emergencies, will be inclined to spend the rest of his income to increase his comforts and standard of living. Another man with the same income but earned on his own property is in a quite different position. The preservation and increase of his property are more important to him than increased comforts. He will be anxious to save something, if his income allows.

This aspect of income, which can have a considerable bearing on saving, is being entirely ignored. All those, who calculate how much of higher incomes would be available for sharing out, work on the assumption that wage-earners have to remain propertyless.

All these considerations put the calculations of Lord Stamp and Prof. Douglas in a somewhat different perspective. However, they do not prove the possibility of the absolute family wage under present economic conditions—the painstaking inquiries of the Australian Commission bring too much evidence against it—but they show at least that possible improvement by reducing inequality of income should not be looked upon as 'only negligible.'

Last not least, it must not be overlooked that we cannot stop at income. We have to strive for a more

equitable distribution of wealth from which these higher incomes are derived. Although inequality of income is great, the unequal distribution of wealth is stupendous.

Here are some statistics about the distribution of the national wealth in the United States and England.

On the basis of a study made in 1922 and 1923 of 43,000 estates recorded in 24 countries, in 13 different States the Federal Trade Commission (on 25—5—26) came to the conclusion that about one per cent of the people in the U. S. own 59 per cent of the national wealth. The total is divided as follows:

13 per cent of the people own 90 per cent of the wealth.

87 per cent of the people own 10 per cent of the wealth.

More than one-half of the real estate in New York City is owned by less than one per cent of all the real estate owners in the city.

A similar unequal distribution exists in Great Britain.

According to Sir Leo Chiozza Money, a group of about 120,000 persons, who with their families form about one-seventieth part of the population, own about two-thirds of the accumulated wealth of the United Kingdom. The same authority finds that 2,500 persons own more than one-half of all the land in the United Kingdom. (Report of the Liberal Industrial Inquiry. '*Britain's Industrial Future*', pp. 242-261).<sup>1</sup>

A wide diffusion of ownership will of necessity bring about a more equal distribution of income and

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<sup>1</sup> Cfr. *Man and Society*, p. 324.



an adequate representation by labour in the management of industries; it will check an unhealthy propensity for spending; and last not least, it will decisively break up excessive economic power and control and secure economic independence for the vast masses which has always been the very basis for man's freedom. As long as the greater part of a nation's wealth remains accumulated in the hands of a few, effective control of credit and prices, of production and wastes will be well-nigh impossible. History tells us the same story over and again in this respect.

The conclusion forces itself on us that *the root-cause of all the trouble lies in the present extreme division of capital and labour*. This must be narrowed down as far as possible by all legitimate means at our disposal. Any plans for establishing the absolute family wage, which ignore this fundamental evil, stand little chance of being realized.

Mr. Rowntree's opinion that 'either by increased efficiency in individual enterprises, or improved organizations of whole industries, or both, the vast majority would be able to meet the increased wage costs' is rather vague in this respect. In another place he says that 'it is only reasonable that no surplus profits should be retained by them (employers) or distributed to share-holders, until adequate minimum wages have been paid to all workers.' This seems to imply that in his opinion too, all three methods must be utilized (as mentioned above) to increase wages.

Moreover, all Christian social reformers are of the same opinion with the Pope that a better distribution of wealth is absolutely necessary. But although the family wage provides a minimum of opportunity for acquiring a moderate ownership, it cannot by itself affect the present great inequalities to any great extent. Some other means are required in addition to the family wage. Pope Pius XI, after defending the wage-contract against those who hold that it is essentially unjust and must be replaced by a contract of partnership, adds, however, that "We deem it advisable that the wage-contract should, when possible be modified somewhat by a contract of partnership...."

..... In this way wage-earners are made sharers in some sort in the ownership, or the management, or the profits." (Q. A. n. 65).

What is the connection between the family wage and this contract of partnership? Are wage-earners to become sharers in ownership or profits over and above a family wage? Or can this share be included in the family wage? Any plan for a family wage ought to be clear on such points. The encyclical does not give the answer because it is only concerned with principles. It does not provide a plan of action. But it is rather surprising that commentators of the encyclical have not paid more attention to such obvious questions.

Eminent social writers like Hilaire Belloc are advocating a policy aimed at putting the means of production in the actual control of those who produce

and this as personal or family owners; owners of machines, owners of shares, owners of land and buildings. To achieve this end they have suggested differential taxes on income, inheritance, supply of capital, transfers, on every form of movable enterprise, on advertisements, etc. in favour of small property. These methods suffer from the serious disadvantage that enthusiasm for such a policy is even lacking among the people for whose benefit it is pursued, because the wage earners are reluctant to undertake the responsibility of ownership. They have got so used to the wage system that a secure and sufficient wage is for them the economic ideal.<sup>1</sup> It seems to be necessary to look for ways and means that are more drastic than those slow-moving and slow-killing processes.

Anyway, all these considerations make it sufficiently clear that the problems of the family wage and of a better distribution of wealth are intimately connected. By treating them independently we have given our policy of the family wage a touch of the unreal. This is a serious psychological mistake. Only by co-ordinating both ideals—the absolute family wage and a better distribution of wealth—will we be able to evolve a practical plan for establishing the family wage.

The objection might be raised that I have been arguing in a circle. Distribution of property was suggested as a condition for working the family wage;

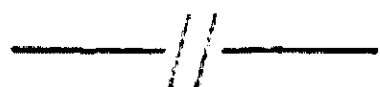
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<sup>1</sup> Cfr. *The Crisis of Our Civilization* by Hilaire Belloc. p. 203.

and at the same time one of the aims of the family wage was said to exist in offering a minimum of opportunity for acquiring property. If applied to the whole complex of economic activities, both can very well be worked together through round-about processes. We must stop big capital and harmful unearned income from 'breeding'. Especially this more negative aspect of distribution of property seems to form one of the conditions for working the family wage.

R. VERNON.

# PROPERTY AMONG PRIMITIVE PEOPLES



In the often passionate discussions about property and its various forms, economists have frequently endeavoured to work out a basic form of property from which, with logical conclusiveness, could be deduced all the main principles which control the economic political and social life of mankind. In this endeavour many have lost sight of the elastic nature of the property concepts which take on different forms according to the objects of property, the character and culture of their owners, and according to the change of times and local conditions. In the course of time, property concepts have developed quite a number of different forms, beginning with the not always simple property forms of primitive and, wrongly so-called, uncultured peoples, and later developing the peculiar forms of patriarchal and matriarchal cultures and, from the blending of both, the more familiar features of Medieval Feudalism, of Absolutism, down to the modern forms of Liberalism and Communism.

The eminent anthropologist, W. Schmidt, has made the property concepts of the primitives the object of his special studies. In the following pages the interesting results of his researches will be given in a condensed form.

Only the property forms of the *Primitive Culture Circle* will be considered, that is to say, of peoples who belong to the most primitive stage of economy,



that of food-gathering. These forms of property enjoy a special importance from the fact that without doubt they are nearest to the starting point of the evolution which property concepts have taken since the dawn of mankind. And here we make the, perhaps somewhat startling, discovery that in the Primitive Culture Circle the property forms are neither exclusively collectivistic nor solely individualistic, but that both property forms are clearly present, each form being connected with different kinds of objects.

We will first consider the forms of property, concerned with immovable objects, i.e., the land. In the primitive cultures landed property is nowhere the exclusive property of individuals. The owner of the land is always a joint-family (in the broader sense of the word). Less frequently is land owned by an individual family, (in the strict sense of the word, i.e. consisting of husband and wife, and their children). Still more rarely is land owned by a regional group, v. g. a union of several joint-families. Where cases of the latter are found, their origin can always be traced to influence from contact with 'younger' cultures. The 'loose' joint-family consists of husband and wife, and the families of their children and children's children. The 'loose' joint-family is distinguished from the joint-family, in the proper sense of the word, by the fact that the married sons lead, with their families, an independent, economic life and are supposed to give only a certain amount of help to their parents (or parents-in-law), while in the joint-family in the strict sense of the word the head of the family is the sole

and only owner of all property, including that of his children and children's children. Economically they are ever dependent on the head of the family, the 'patriarch' and after his death, on his first-born son. This peculiar joint-family system is extant among the tribes of the nomadic cattle-breeders.

The ownership of landed property, vested in the loose joint-family, is an imperfect one, in the sense that such property cannot be disposed of by any one, neither by the joint-family as such, nor by an individual family, least of all by a particular individual. Even a chief has no such power and authority; but as a matter of fact, many of these primitive tribes have no real chiefs. The concept of acquisition of landed property is unknown at this stage of culture and even unconceivable; only one single instance of such a kind is known, in a border-region of Northern New South Wales. The pygmies, all of them, the North-Central Californians, the Selish, and the tribes of Tierra del Fuego consider the Creator himself as the real owner of the land. They believe that he has distributed the land among the different races, tribes and family groups.

In this culture, land is not a definite plot on which a family can live and thrive, but a wide living and hunting ground within the limits of which a joint-family moves about in the search for food. It serves more as a basis for procuring a livelihood.

From the spontaneous produce of the land the women collect fruits, vegetable, roots, while the men

procure animal food by hunting and fishing. Since all the members of a family work to procure food-stuff, prepare and distribute it for consumption, it is natural that the family as such is also the owner of the land from which it lives. The security of existence and sustenance of a family is based upon the inalienability of the land on which the family lives. This ownership, however, is not maintained in an exclusive and selfish spirit, it is modified by the needs and requirements of outsiders: the owners will allow any other family group to collect food and hunt on their own land, if the said family group is unable to live on the resources of its own property. It is understood that this permission is granted only for a certain period and that certain conditions have to be observed: collection of food-stuff is permitted only for immediate consumption, not for getting a supply for the whole year, as it were; then, a certain portion of the produce must be handed over to the owners of the land, or presents of corresponding value must be given.

The borders of landed property, owned by the single joint-families of a tribe, are always well defined, though nowhere marked by artificial signs. They follow landmarks: certain trees, hill-ridges, rivers, etc. Neighbours with adjoining land know these borders well and observe them strictly. Poaching is extremely rare and considered a serious offence. Only the Vedda of Ceylon, the Pomu, Maidu, the West-Kulin of Australia have artificial signs to mark the borders of their landed property, but these tribes have to certain degree been in contact with matriarchal, agricultural tribes of the vicinity.

Nevertheless, already in these primitive cultures, there are certain immovable objects, connected with the land, which are owned by individual families. These objects are property in the strict sense of the word, because they are inheritable and transferable. This ownership does not apply to the land itself but to certain objects in or on the land. For instance, certain particularly valuable trees are owned by individuals. Thus the Andamanese claim the ownership of certain fruit-trees of a species of trees the wood of which is used for the building of canoes. The Semangs of Malay consider trees as individual property, the fruits of which are eatable or from which they produce the poison for their arrows. Similar property concepts are found among the Ituri pygmies of the Congo, the North-Central Californians, the South-East Australians, the Algonkins of America. Elsewhere certain plots of ground are the exclusive property of individuals where valuable plants grow or in which useful material is being found. Thus the Ituri pygmies consider as individual property the large ant-heaps which they raid for their eggs; the Ojibwa Indians individually own certain fields of wild paddy; the Wurrunjeris of South-East Australia have their specially owned quarries where they cut stones for their axe-heads. Elsewhere the nests of certain birds are individual property, or bee-hives, as among the Negritos of the Philippine Islands, the Ituri pygmies, the Bushmen of South-Africa, the Mountain Damas. The Inland Selish own individually the nests of eagles whose feathers they need for their arrows, the Kurnais of

Australia own the nests of the black swan whose eggs they eat. The North-American primitives individually own natural fish-holes which by artificial improvement can be made more productive.

Almost everywhere this individual ownership is acquired by the *jus primi occupantis*, i.e., by the person who has first found and used it for his own personal benefit. However, the object though useful and valuable in itself, must not be necessary for the very existence of primitive society, for in such a case it could not be acquired by an individual.

Also, taking possession of an object must be marked somehow: among several tribes it is sufficient if the acquisition of such property is expressed by word only, else the acquired object is recognised as such by cleaning the spot around it, by a heap of stones, the setting up of a stick or post, etc. Once an object is thus marked, its use by other members of the tribe would be considered as theft.

But, such individual property is naturally limited to a few objects since only such articles can be owned individually which are not required for the livelihood of the family or family-group. Matters are different, however, when in a more advanced stage of culture, that of matriarchal agriculture, the woman went over from merely collecting food-stuff to planting and cultivating plants and trees which originally were growing wild in the jungle. The labour spent on the soil gave the woman a claim to own the plot itself which she had cultivated. On this radical change of



primitive economy is based the entire culture of Mother-right.

Individual property is, in primitive cultures, also the produce of a food-gathering or hunting expedition, if the search for food has been made by individuals. This is usually the case in the gathering of vegetable food, while in hunting expeditions it has often been found more expedient to chase animals in groups. In the latter case the booty is distributed among the hunters according to customary rules.

When an individual has been successful in his search for food-stuff, he brings it home where it is made ready for immediate consumption by a female member of the family. At the meal all the members of the family, husband, wife, and children, take part: in this they are conspicuously at variance with later 'superior' cultures. The individual ownership of this food-produce is, consequently, of short duration; it lasts only until it is prepared for consumption. Especially in the tropical and sub-tropical countries food-stuff is never kept in store very long, for lack of means for preservation. Consequently it must be admitted that the individual ownership of natural products, in the food-gathering stage of culture, has scarcely developed beyond its initial stage.

Still, there is no doubt about the definite concepts of ownership which the primitives maintain concerning land and natural products of the land. These concepts are particularly pronounced in certain transactions which, superficially considered, would rather

point to a weakening of property-rights, but which in fact are a very impressive proof of their existence. One of these expressions of definite property concepts is the custom of mutual offering of presents in the form of food-stuff to relatives and friends. These donations are made not only to people who are actually in need of food, but also to others as an expression of affection and friendship. Such donations are frequently on a rather generous scale, and are returned when occasion offers. There are ample proofs of this generosity, often expressed in a most attractive and touching form, among the African and Asiatic pygmies, the Veddas of Ceylon, the North-Central Californians, the Selish, the Yamanas of Tierra del Fuego, and the South-East Australian primitive tribes. That donations just of food-stuff are exchanged so frequently and on such a lavish scale, is probably also due to the fact that the consumption of these gifts is at the same time a means of enjoyment. The exchange of presents is, however, also practised among the Arctic tribes when such gifts of food are not consumed immediately, but stored up for use in winter. In times of scarcity friends and relatives could presume the permission of the owners to use such proviant, provided they informed the owner of their use at a given opportunity and promised restitution.

The title on which such property is acquired rests undoubtedly on the labour and trouble which the individual spent in collecting this food. But since in the food-gatheing stage food is not really 'produced', but collected ready-made for consumption from the soil,

the primitive is convinced that such food-stuffs is lastly the absolute property of the Creator. For it is He who, according to the belief of the primitives, has created food and made it ready for consumption by man. This supreme property right of the Creator is acknowledged by the great majority of these tribes, by the performance of the so-called primitival sacrifice; the first morsel of food which is collected or caught is offered in sacrifice to the Supreme Being. This recognition of the supreme property rights of the Creator results also in the conviction that a successful search for food imposes also certain altruistic obligations: assistance has to be given to such persons who owing to age, sickness, or a great number of children are unable to maintain themselves.

Real individual property, therefore, could in the primitive stage of culture cover only such objects as were really 'produced' by man not for consumption, but for protection or decoration: as for instance the dwelling, clothing, ornaments, tools and weapons. These articles were really produced by man, except of course the material of which they were made. Their value, as a means of protection, or decoration, as tools or weapons, had been created by human labour and skill. Consequently the producer of these articles felt himself as their owner in a higher degree, and had also more liberty in the disposal of these articles. The rights of property were consequently more pronounced in the possession of such articles than in the case of food-stuff or landed property.

Complete and absolute individual property rights are consequently not at all absent in the most primitive stage of culture; they are, indeed, rather more definite and pronounced here than in later and superior cultures. Indiscriminately all individuals may own property, men as well as women, and even the children, and these property rights are respected by all rigorously, more strictly than in later stages of culture. If it is true that every acquisition of property is an increase of self-assertion and an invigoration of one's personality, we come to the obvious conclusion that the primitives are not at all devoid of personality and self-assertion.

In spite of the pronounced character of ownership concerning real 'products' of man, the generous attitude of the primitives in giving away their property extends also to such articles. The owners not only give them away as presents, but also lend them to others for temporary use. Among some of these tribes the generosity in exchanging such articles in the form of gifts is particularly pronounced. Among the Andamanese almost every object in their possession continuously changes hands, and of the Yamanas of Tierra del Fuego a keen observer says that apparently they acquire such articles in order to have a right of giving them away and thus enjoying the pleasure of exchanging gifts with one another.

This generosity is particularly displayed on the occasion of visits. Whole families may go for a visit and stay for days and even weeks with other families.

and even distant tribal groups. They bring along many presents for their hosts, are entertained and well fed, and return home loaded with presents. After some time the visits are returned and the former guests, in turn, entertain their old hosts with the same display of generosity and affection. Such mutual visits are customary among the Andamanese, the North-Central Californians, the Selish, the Tierra del Fuegians, the Esquimaux, and the African Bushmen. By such visits the small tribal groups, lost in the vast solitude of the lonely jungles and separated from each other by great distances, escape the stagnation and dullness of their life, and gain new zest and vitality in social contact with other tribal groups.

If on such visits presents are exchanged, the motives for them are not economical, but social. They are an expression of mutual esteem and affection. However, it must be admitted that this exchange of presents has sometimes developed into a veritable trading in gifts. W. Wundt even declares this usage to be the real origin of trade. But at this stage of primitive economy a proper and extensive trade is still unknown, for the simple reason that the single tribal groups are largely self-supporting and are not in much need of articles which they cannot themselves produce. Then, the social relations generally do not extend over sufficiently distant parts of the country as to allow an exchange of a great variety of articles which could be produced in one part but not in the other part of the country. Consequently only in certain places where conditions were particularly favour-



able could such a trade develop, as in North-Central California in South-East Australia, and even there only in the neighbourhood and under the influence of superior cultures.

With the same generosity with which the primitives give things of their own away as presents, they also lend them to others if they are not prepared to part with them for ever. No remuneration whatever is demanded by any primitive tribe for a loan by which a real need is satisfied. (Only the Bushman make an exception to this rule, but they are no more a purely food-gathering tribe.) If however a person borrows an article for personal use and benefit, or to acquire other property by its use, a remuneration is demanded by the owner. It usually is one half of the gain which is made by means of the borrowed article (a weapon, for instance, or a hunting dog).

In primitive culture the extent of inheritable property is comparatively limited. Landed property is not inheritable, nor generally the dwelling place of the family, any-how rather unstable in this stage of culture. Negligible also is the amount of clothing and ornaments which a deceased member of the tribe could leave to his heirs. Besides, the fear of the dead, so wide-spread among the primitives, was unfavourable to a definite inheritance system. Many primitives did not want to have anything to do with the former belongings of their deceased relatives and friends. First, because they did not want to be reminded by these articles of their former owners, and then, because they

feared the jealousy of the deceased if they benefited by their former belongings. Thus among many primitive tribes the entire property of a deceased member of the tribe is either destroyed or given away to strangers. This is the practice among the North-Central Californians, the Tierra del Fuegians, and the South-East Australians. But wherever property belonging to a deceased is retained, it remains in the possession of his nearest relatives. The tribe as such has no claim to such bequeathed property.

All this shows that the institution of inheritance, and its very concept, has no strong roots in the economical and social life of the primitives. But again, such inheritable property as is found among the primitives is never bequeathed to a collective personality the tribe for instance, but to certain relatives of the deceased. This proves clearly that individual ownership has not evolved from collective ownership, as far as the primitive cultures are concerned. In them the range of possible heirs never extends beyond the circle of loose joint-family.

A comprehensive survey of all the data and facts concerning the property forms of tribes and peoples in the food-gathering stage of economy leads to this, for many at least, rather surprising conclusion that all the essential forms of ownership are, at least *in nucleo*, already present among the primitives. On the whole these property forms give an eloquent proof for the firm foundation of the (loose) joint-family system as well as of the individual family among these tribes,

but no less for the clear self-assertion of individual personality. The primitives of the food-gathering stage of culture are far from feeling themselves as mere figures in primitive society, as parts of a mass without a will of their own: they have a high regard for their personal liberty and do not tolerate any encroachment upon their personal rights.

However many and various the objects that a person may regard as individual property, there is one which cannot be owned by a person: a human being. Slavery is a product of a latter cultural stage, it is a prerogative of so called superior cultures. At the primitive stage of economy a human being cannot be made a means for personal protection or a source of income, since every individual lives and works for himself and his own family. Employment of servants and slave-work are unknown among the food-gathering tribes. Nor do human beings serve as food for these tribes, since anthropophagy is also a product of a higher culture.

But on the other hand, the dignity of ownership and the active ability for acquiring property are so much appreciated by the primitives that they concede the right of acquisition even to children. Furthermore, though the ties of marriage and family life are strong and, generally, lasting for life in primitive society, husband and wife retain their rights to personal property even in marriage. Nor is the marriage of these primitives unduly influenced by considerations for property; neither is a bride-price demanded nor is com-

pulsion by outsiders tolerated in the contract of a marriage. The contracting partners marry for love and mutual affection, not for money or wealth. This is the reason why a marriage is more stable among the primitives than among superior races.

The definite, firm, and manifold forms of ownership among the primitives are not based on greedy acquisition of wealth and do not imply absolute ownership in unrestricted selfishness. An admirable altruism modifies and mitigates primitive property rights, in a ready solicitude and generous charity towards their fellow-men. The well-known saying of St. John Chrysostom: '*Meum et Tuum, frigidum illud verbum*—Mine and Thine, what hard words!' certainly applies least to this oldest and earliest of human cultures. Their solicitous and generous altruism may partly be a result of the general, affectionate and warm-hearted disposition of these primitives which many anthropologists have observed and praised. But it is positively certain that it is also due to the fact that the primitives do not claim absolute ownership for their property. In their belief only the all-powerful Creator of the universe, of men, animals, and plants, is the sole absolute owner of all. Him they honour as the 'Provider' of their food, as the 'Lord and Master' of the universe, by offering Him the first fruits which they are able to collect and the first animals (or at least a part of them) they are able to catch. The primal offering is performed by most of the Pygmy tribes, the Bushmen, the Arctic tribes, the Algonkins and the Selish. Other tribes, like the North-Central

Californians, South-East Australians, perform solemn ceremonies in remembrance of the creation of the world.

The Creator, so the primitives believe, has granted them the usufruct of the earth and its products, but has at the same time imposed upon them the double responsibility, first, the sparing and careful use of His goods and, secondly, an altruistic share of the same with indigent fellow-men. These obligations traditional among these primitive tribes since times immemorial, are impressed deeply on the younger generation in the solemn rites of initiation. (Cf. W. Schmidt: *Origin and Growth of Religion*. London 1931, pp. 251-284.)

The popular theories of modern economists and socialistic propagandists cannot be maintained any longer, namely, that in the beginning of mankind everything was in common, and that collectivistic ownership preceded individual ownership. The ardent admirers of modern Communism and State-Collectivism would do well to study the results of newest anthropological research instead of repeating the obsolete and out-lived hypotheses of the economists and socialists of the last century. If they continue quoting these theories, almost a century old, one is forced to assume that they are either a century behind the modern state of knowledge, or that they purposely repeat their old theories because they are more in keeping with their political convictions and aims.

S. FUCHS.



## PRIVATE PROPERTY

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The war waged against private ownership has more and more abated, and is being so limited that ultimately it is not the possession of the means of production which is attacked but a form of social authority which property has usurped in violation of all justice.—Pius XI, *Quadragesimo Anno*.

**What is Private Property?** The question is not so facetious as it may seem. In the chaotic conditions of our modern economic world, and due to the indiscriminating objection to, criticism and defence of private property, the very term has become vague, obscure and confused, so that to-day the term "Property" is the most ambiguous of categories. Property, in fact, covers a multitude of rights varying in economic character, social effect and moral justification. They may be intimate and personal as the ownership of clothes, books and tools; remote and intangible as shares in a railway company or in a coal mine; conditional like the grant of patent rights; or permanent like a free-hold. Hence it is essential before enquiring whether all our economic and social ills derive from the institution of private property, to specify the particular form of property to which reference is made. Arguments which support or demolish certain kinds of property may have no application to others; moreover, considerations which are conclusive in one stage of economic development may be almost irrelevant in the next.

Whatever may be the historical process by which the evolution of property may have passed, the term

"Property" before the rise of capitalist agriculture and capitalist industry ordinarily seems to have designated property in land, and in the simple capital used in small industries. Moreover, this type of property was relatively widely distributed, and the ownership of lands and tools by those who used them, was a condition precedent to effective work in the field or in the workshop. (*Vide*, "Industrial Revolution in the 18th Century," by P. Mantoux, ch. iii, 1.) The plain man found the logical basis of private property in the fact that the land of the peasant or the tools of the craftsman were the essential conditions of his rendering the economic services which society required of him, and his ownership of furniture and clothes were indispensable to a life of decency and comfort. Indeed, at that period of economic development the moral justification of private property was self-evident because the peasant or the small master could point to the strips which he had ploughed or to the cloth which he had woven. When, therefore, as in Tudor England, the peasant was evicted to make room for sheep, or as in 18th century France, some land went out of cultivation by arbitrary taxation and seigniorial dues, the whole community felt its health and efficiency reduced, and it was clear that to protect private property was, indeed, to maintain the organization through which public necessities were supplied. Private property, at that time, clearly fulfilled what Catholic sociologists call its "social function," and so it was protected and maintained not only for the sake of those who owned, but also for the sake of those who worked and of those for which their work provided.

The characteristic feature which differentiates most modern property from that of the pre-industrial age, which seems to turn against it the very arguments by which it was formerly supported, and which even obscures the very term "Property," is its passivity. That is to say, property to-day is largely not a means of work but an instrument for the acquisition of gain or exercise of power, and there is no guarantee that gain bears any relation to service, or power to responsibility. The great mass of property, to-day consists neither of personal acquisitions, such as household goods, nor even of the owner's stock-in-trade, but of various rights, such as royalties of mine owners, ground-rents of landlords, and above all, of securities of shareholders in industrial enterprises which yield an income irrespective of any personal service rendered by their owners.

Of these vital developments in the facts of property, the conventional theory of private property hardly appears to have begun to take cognizance. In fact, the institution of private property has undergone, in the last few generations, a transformation of bewildering rapidity, and the failure of thought to keep pace with it need cause no surprise. The very structure of joint-stock limited liability companies built upon industrial and commercial shares has effectively contributed to this transformation. Of all types of private property, the share is the most common and most convenient. It is a title to property stripped of almost all the encumbrances by which property used often to be accompanied, and the most revolutionary

feature that it has introduced into the former concept of property is the separation of ownership from work. Again, there is nothing in the modern commercial share which made the pre-industrial notion of property, almost sacred, precisely because property, then, was so closely united to its owner as to seem almost a part of his personality. The share, on the contrary, has almost become a form of currency; it yields an interest and can be disposed of at will; like money it gives its owner a right of purchasing-power.

Precisely because these rather dubious forms of property (shares, royalties, ground-rents, monopoly profits, surpluses of all kinds) in our modern commercial world militate against the very end and purpose of the institution of private property, the plain man sees in private property not an institution to secure to each man the fruits of his labour, but a means whereby the few batten on the labours of the many. The meaning of the institution, it is said, is to encourage industry by securing that the works shall receive the produce of their toil. But then, precisely in proportion as it is important to preserve the property which a man has as the result of his own toil, it would seem important to curtail and restrict the rights of these dubious forms of property. Further, the structure of modern industrial and commercial enterprises has undermined the conventional arguments in favour of private property. Because, in proportion as the land-owner becomes a mere *rentier*, and industry is conducted not by the manager-owner, as formerly, but by the salaried servants of shareholders, the argument for

private property which reposes on the impossibility of finding any organisation to supersede them loses its application, for they are already superseded.

## THE LOGICAL BASIS OF PRIVATE PROPERTY

It belongs to what is called commutative justice faithfully to respect private ownership, and not to encroach on the rights of another by exceeding the limits of one's own right of property.—Pius XI, *Quadragesimo Anno*.

Like Humpty-Dumpty, Private Property has had a great fall, and many thinking minds wonder whether, in the midst of modern economic conditions, it would serve any useful purpose to set it up again. In fact, the very arguments which formerly favoured the maintaining of private property now appear to argue against it. The hard reality of facts drawn from our industrial world seem to prove that private property, to-day, has failed to secure to each man the fruits of his labour—we have only to consider the vast number of our agricultural and industrial proletariat. In fact, private property, in those rather dubious forms of shares, royalties, ground-rents and monopoly profits, has definitely led to the violation of social justice, and helped to concentrate the wealth of the country in the hands of the few. Further, for the vast majority it has led to a denial of economic freedom, and however democratic the political structure of society may be, the effects of this denial *de facto* create a social class whose contributions to the body politic are negligible precisely because their conditions of living are never free from the demon of want.



After all, private property, whether of the consumptive or productive type, is but a means to an end. For the Christian it can never be an end in itself, but merely a means, like everything else on earth, to enable him to reach his final supernatural destiny. To be sure, it is not an absolutely necessary means, for, on the one hand, there are those Christians who, following the counsels of Christ, have embraced voluntary poverty, and have renounced freely their right to ownership; on the other hand, the calendar of the Saints of the Catholic Church lists many a man and woman who, without embracing voluntary poverty in any religious order, have worked out their supernatural destiny in conditions of abject poverty and misery.

But apart from these cases, the life of the ordinary average individual in society postulates some kind of inviolable right to ownership, so that he may continue an existence in keeping both with his human dignity and supernatural destiny. For the Christian, ownership in the last analysis is essential to his freedom and liberty as a human being. Not only freedom from want, but also, from all those strangling conditions of life which stultify man's powers and exhaust his energy. The law of self-preservation rules the rational and irrational creation, and this law operates in human society through man's acquisitive instinct, or as it is said, through the exercise of his natural right to property. Just as man has a natural tendency to satisfy hunger, so also he has a natural tendency to acquire, or possess, such goods of the earth as satisfy his many needs as a human person.

In modern society man satisfies his primary needs by the ownership of what are called his personal possessions—those objects needed for his own personal use and comfort. Even Soviet Russia, the experimental home of Communism, does not dispute this right, but embodies its “protection by law” in Article 10 of the 1936 Stalin Constitution.

But man is, as we are repeatedly told, a social animal, and so, in his behaviour and conduct as well as in the exercise of all his individual natural rights, he must take cognizance of the good of society. “Wealth,” writes Pius XI in his *Quadragesimo Anno*, “which is constantly being augmented by social and economic progress, must be so distributed amongst the various individuals and classes of society that the needs of all, of which Leo XIII spoke, be thereby satisfied. In other words the good of the community must be safeguarded.” Now the clash between private ownership and the general interests of society, is but one instance of the eternal question of social harmony and order between the good of the individual and that of society. Therefore, it is quite in keeping with right reason that instances may occur when the Public Authority or the State, may, and perhaps should, curtail and restrict the exercise of the right of private property for the good of society, or even as Pius XI says, “specify more accurately what is licit and what is illicit for property-owners in the use of their possessions.” But the State may not completely deprive man of his right to ownership or abolish the right to private property, and thereby deny the individual the

necessary means of social and economic freedom. In fact, for the average worker ownership of productive property endows him with a bargaining power when he is faced with conditions of employment, which, if accepted, would be a denial of his dignity as a human being. Without this bargaining power, the only alternatives before the worker are starvation or inhuman conditions of employment.

Now it is precisely this anti-social use of the right of ownership or the right to private property, fostered and developed by economic liberalism which has, within recent times, raised up a storm of protest against the very institution of private property, confusing the right with the abuse of the right. It is with legitimate pride that Catholics remember that in the early nineties of the last century when commercial enterprises under the impetus of Liberalism were dazzling the world by their astonishing prosperity, forgetting the working-classes who were ground down "with excessive labour so as to stupefy their minds and wear out their bodies," Pope Leo XIII openly condemned the injustice done to the workers in his Encyclical, *On the Condition of the Working-classes*, which to-day is known as the Workers' Charter. The evils of Liberalism in the economic and political structure of society were too deep rooted to allow of any immediate change, and the evolution of industry on these principles still shows the anti-social effects of the wrong use of the right of private property.

The first step, then, to liberate private property from its anti-social use would be to re-organize econo-

mic life on the basis of service to the community—that, indeed, is the natural aim of all production—and not of excessive profits to the few. For it is not the right to private property but the abuse of that right which is corrupting the whole purpose and principle of industry. Therefore, to correct the abuse of the right means in practice the restoration of its social function to capital invested in industry. Capital, in fact, which is essential to industry, should receive a remuneration, but should carry no right to residuary dividends or to the control of industry. That is to say, a clear discrimination should be made between the payment needed to secure the necessary capital, the interest on the capital, the reserves required to meet risks, the salary of the employer as manager, and such profits, if any, as may arise.

Two other methods are often suggested in the attempt to restore to productive private property, in the form of invested capital, its social function,—Co-operative societies of producers and consumers, and Nationalization. Whole chapters might be written about each of these methods, but finally, it is always a matter of expediency, to be decided in each particular case, as to which of these methods would prove most fruitful. If one may judge from past experience, it would seem that the more a particular industry approaches a public service utility, the more there is to be said for its public ownership and control.

### PROPERTY FOR ALL

This (freedom from uncertainty) cannot, however, be realized unless the proletarians be placed in such circum-

stances that by skill and thrift they can acquire a certain moderate ownership.—Pius XI, *Quadragesimo Anno*.

One of the most deplorable characteristics of our civilization is the lack of security. Even in pre-war days, an inordinate anxiety about the future, an animal hand-to-mouth existence, an uneasiness about steady income and employment, have been the lot of the mass of mankind. In fact, whatever benefits our liberal economic regime has bestowed upon mankind in the way of mass-production and technical progress, all this has been more than annulled by the canker of insecurity which undermines the very lives of those for whom the whole economic regime should function. It is a common place that the so-called trade "cycles" those regular industrial fluctuations in the economic world, as well as periods of "boom" and of "slump" which throw the whole economic machinery out of gear, always entail disastrous consequences for the masses.

Industrial capitalism is, of its very nature, subject to uncertainty, and despite business prudence and foresight, economic and commercial enterprise, to-day, implies an element of risk. The increase of risk in modern times is, perhaps, mainly ascribable to the spirit of invention (or adventure!) and the better utilization of the forces of nature. Competition in securing the best factors of production, in the combination of these factors, in the employment of the best technical devices, in selecting the best markets, in foreseeing the changing moods of the market, all help to make the carrying of risks an integral element of modern industrial capitalism. From these sources of risk and



uncertainty derive the insecurity of those who are not directly concerned with the management of industry, but whose savings or property, in the form of investments, support industry. Yet, the class, perhaps, most afflicted by social and economic insecurity is the working-class. The majority of workers depend directly upon industry for their living: for the most part, their money wages is their only support in life, and when trade "cycles" or trade depressions stop the wheels of industry, the average working-man, more than any-one else, realizes the full force of economic insecurity—unemployment.

The growth of industrial capitalism has, however, evolved a system to reduce, as far as possible, the losses incurred by industrial and commercial risks, and at the same time, eliminate insecurity. A measure of security is established and loss through risk reduced by Insurance, that is to say, the element of risk is reduced by combining it with that of others into a group and so distributing the losses to the group as a whole. Insurance policies, to-day, cover not only industrial and commercial enterprises, but the whole field of human life and activity. It is, in fact, modern society's effort to establish security in the social order. At one end of the economic structure, Big Business is sheltered by insurance, and at the other end, unemployment insurance schemes protect the workers in most industrial countries. Germany was the first country to inaugurate the policy of compulsory State insurance for working-men, towards the end of the last century. "The whole matter," said Bismarck in sup-

porting the second of these bills, "centres in the question: Is it the duty of the State, or is it not, to provide for its helpless citizens? I maintain," he added, "that it is the duty not only of the Christian State, as I ventured once to call it when speaking of practical Christianity, but of every State." (Cf. Ogg & Sharp, "Economic Development of Modern Europe," p. 554.) In our own times, Sir William Beveridge's Plan for Social Security; that is for "ensuring that every citizen willing to serve according to his powers has at all times an income sufficient to meet his responsibilities" is a comprehensive effort to remove the dangers of insecurity from the lives of the masses in Britain by means of insurance both compulsory and voluntary.

However genuine these efforts might be, the attempt to establish security by means of methods of insurance, presents to the mind of the man in the street obvious difficulties. Given the working of modern industrial capitalism on its principles of free competition, and in the face of periodic commercial fluctuations, which are, indeed, the root cause of social and economic insecurity, the average citizen fails to understand how any system of insurance or pensions—which really means money incomes—can counter this cause. Even in the absence of trade depressions or commercial crisis, it is a fact of experience, that *money incomes* do not correspond to *real income* expressed in the form of goods and services. Now in times of commercial crisis, when prices are soaring and "living is expensive" and security is most

in demand, all fixed incomes, wages, insurance premiums and pensions depreciate in value, and security from such sources is rendered meaningless, especially for the workers, the professional classes and the small investors. It is precisely this class of society which suffers most, in times of commercial crisis, and it is the class which comprises the greatest number of individuals. They all seek security from their property expressed in the form of premiums and small investments. It is not wealth or power or even leisure from work which they seek. It is safety. They work hard. They save a little for old age, or for sickness or for their children. They invest it, and the interest or premium stands between them and all they dread most. If, therefore, the security they seek is ultimately built upon the insecurity of an industrial system which upsets money values through fluctuations, the great majority of society have built upon shifting sands, as indeed, they too often discover to their undoing. Hence, historical experience would seem to show that systems of insurance and pensions, as a means to secure social and economic security, have proved imperfect and even precarious.

It is significant that industrial capitalism which has evolved the modern forms of private property (investments, royalties and monopoly profits) which foster an anti-social exercise of proprietary rights, has also evolved the systems of insurance and pensions which have deprived private property of its fundamental asset—security. Before the rise of capitalist agriculture and capitalist industry, property meant security,

and its maintenance was one way of organizing security in society. While it is idle to suggest that modern economic organization should revert back to conditions of pre-industrialism, it is equally foolish to pretend that property in the forms employed to-day by industrial capitalism contributes towards social security. The problem, therefore, is to restore to the modern forms of private property its asset of security and encourage a wider diffusion of ownership of such property.

In communities mainly or fairly agricultural, the diffusion of ownership of *economic* agricultural holdings should be encouraged, so that a greater measure of security and economic freedom may result for the owners. In highly industrialized nations, especially where individuals have long been accustomed to hold property not in lands or farms, but in the form of insurance premiums, pensions and investments of all kinds, the problem of social security is much more difficult. Obviously, if such investments, which to-day represent the property of the vast majority of individuals, are to rid society of the dread of insecurity and the fear of want, the money value or purchasing power of such forms of property must remain fairly stable. This implies a fairly just price-level free from excessive fluctuations, and therefore, the reorganization of industry and commerce on the basis of their primary purpose: to provide mankind with the means of a decent human life, and not primarily to secure monopoly profits for the few. When such conditions obtain in our industrial and commercial world, widely diffused

ownership, even of the modern forms of private property, may reasonably be expected to secure the community against insecurity.

The trend of modern large-scale industries, moreover, affords many opportunities for a wider distribution of ownership of productive private property. It is a well known fact, that with the progress of mechanical and technical devices, large-scale manufacturing industries now require a small labour force, and therefore, an increasing proportion of the population is released for the growing demands of "service industries" such as building, transport garages, hotels, entertainments and the like, which favour the working proprietor. Further, small scale-industries like Tailoring, Hosiery, Stationery, Furniture, Hardware, and so forth which tend towards the restoration of individual ownership, show a definite expansion in recent years even in a country sunk in Capitalism like Britain. Thus according to Mr. Colin Clarke the increase in employment in Britain due to the growth of small scale-industries in Tailoring, Hosiery, Hardware, Baking and Motor and Cycle Trades was 65,000 over the period 1924-1930. In some other European countries the proportion of the working population who are working proprietors or family partners is given as follows: the U.S.A. 25%; France 33%; Austria and Belgium 20% respectively. (*Property and Economic Progress.*)

While the Indian Industrial Revolution is being prepared, it is to be hoped that the country will not plan her small scale industries only *after* experiencing

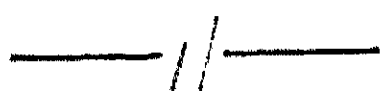


the harmful effects of over industrialization. In the Census of 1931, of the 15 million returned as industrial workers, more than 13 million were engaged in the country's small scale village industries, and only about 1½ million people were employed in large scale manufacturing industries. With the growth of road transport, and the progress of rural reconstruction the working proprietor of garages, of the village building, furniture and tailoring trades will (it is hoped) come into his own. Hence although most of India's cottage and small scale industries are in a state of decay, and the immediate needs of the people are perhaps served best by the output of mass production, in the interests of a long term economic policy it is essential for our authorities to formulate an economic plan which integrates both small and large scale industries. A careful selection of small scale industries to be developed, easy capital facilities, education in the methods and technique of small scale industries, transport and marketing facilities can secure the useful revival of our village and small scale industries.

Strong Social reasons make the survival of our village industries most desirable. They avoid urban over-crowding, industrial regimentation, labour unrest, and the greatest boon they offer is the opportunity to the ordinary worker to rise from the state of propertyless proletarians, regain his independence and lead a life from economic insecurity.

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# A PLAN FOR RAISING THE ECONOMIC WELFARE OF THE COMMON MAN IN INDIA



## THE OBJECTIVE

It is proposed to carry out the economic development of India by launching a long-term plan. The principal objective of any such plan must be to increase the economic welfare of the people as a whole. How is economic welfare measured? Indeed it is usual to measure economic progress in terms of *per capita* income, but figures of income per head can be misleading, especially in the case of a large country like India with wide variations in wealth and income, between classes and between regions. Even in more homogeneous countries like Great Britain, while the total national income increased many times, the working classes remained poor. That the position in India is much worse is clear from what has happened in the past. Accumulations of wealth have been confined to certain small sections of the community who obtain large incomes from their easy labours, whilst the toiling masses have remained miserably poor. Our income-tax statistics bear ample testimony to this : in a country with 400 million people, only 300,000 persons (in 1940) had (non-agricultural) incomes above Rs. 2,000 per annum. Under such conditions a doubling of the national income can happen without any tangible addition to the income of vast numbers who are outside the orbit of big business.

A more reasonable criterion is the standard of living. In other words, how much of food, clothing, shelter, and social amenities do people actually obtain? What really matters is not the total or even *per capita* supplies of food, clothing, etc.; we must know how much is going to, or within the reach of, the common man, and whether he or she is able to live in reasonable comfort. That is not merely humanitarian sentiment. A country where more than 50 per cent. of the population have not even the bare requirements of food and clothing cannot be a growing market for the products of its industry. Nor can such people be good neighbours, because malnutrition will cause ill-health, and ill-health cannot be segregated within a class or locality.

#### LOW LIVING STANDARDS

Without going into elaborate statistical analysis, it is possible for the most cursory onlooker to see that the living standards of the common people in India are low, in some places miserably low. Nor is this true of villages only; there is appalling poverty even in big industrial centres like Bombay. The dingy hovels which house large numbers of ill-clad, unkempt and semi-starved people cannot escape the notice of any one. Poor living conditions necessarily are a serious drag on productivity. Nor can a people living under them have high moral or cultural standards. Poverty begets not only physical misery but moral degradation.

The raising of living standards must be the central objective of any plan. But how is this to be carried

out? Some think that public health and popular education must be taken up first. But the large public funds needed for these are not now available; nor can such ventures be financed by loans. Further, for availing themselves of such services the masses must have fuller stomachs and higher purchasing power. It is true that in the absence of refined tastes, enhanced incomes may be (have been) used for hoarding gold and silver, or, worse still, for drink, and drugs. Similarly, good health is itself an essential condition for efficient labour. But at the present low levels of incomes in India, rapid advances in health and education are not feasible, and therefore, without neglecting these pivotal social services even at the start, we have to concentrate on the increase of production and income, so that at the later stages of the plan, there may be ample resources for providing full social security for all on the lines now being attempted in the United Kingdom.

### INCOMES AND POPULATION

First, then, comes income. That the incomes of working classes, including the numerous cultivators, are exceedingly low, has been proved by economic surveys all over the country. The average annual income of the agricultural population was hardly Rs. 50 before the war. Perhaps this is an underestimate; but, even if it were 50 per cent. higher, it must be considered inadequate for a reasonable living standard. Why are incomes so low? In the case of wage-earners it may be true that the smallness of the

income is due to the low wages inevitable in a country, where the "Iron Law" of Ricardo holds good, many labourers having to compete amongst themselves for the scanty employment available. But this cannot be said of the cultivators who work their own holdings. Their incomes are also extremely low. No doubt, this is partly due to their uneconomical holdings. But, by employing a different technique of production, or mode of organization, large additions to production can be made and thus incomes increased, as has been done elsewhere.

Some may interpose here the familiar problem of over-population: when incomes increase there will be also more mouths to feed. But the more pertinent question to ask is "Has not India adequate resources to maintain in reasonable comfort the present and even a larger population?" Cannot the teeming millions of India be made a valuable asset if the large labour force is properly utilized? When Malthus raised the bogey of over-population in England, conditions there were nearly the same as in India now, but economic development soon overtook population increase, and with the rise of living standards the rate of population increases slowed down. The same can be the trend of India also, and what is needed is to raise the living standards by making full use of the large natural resources available. A great deal of labour is now wasted, and this is the root cause of the trouble. When labour is fully employed national income will increase, living standards can be raised and the threat of over-population will vanish. Full employment is



therefore the remedy, and the emphasis on it at the San Francisco Conference is indicative of a welcome change in outlook.

### FULL EMPLOYMENT

The term "full employment" has to be used with caution, because in the economist's jargon, it means the ironing out of cyclical fluctuations in employment. Unemployment in the industrialized Western countries is largely of a cyclical character. In India, too, such phenomena have appeared in recent times, and we had a bitter taste of it ten years ago. But our major problem is perennial unemployment or under-employment resulting from the fact that especially in most rural tracts there is no work for nearly half the year. This is particularly true of areas like Bengal, where, according to a recent estimate, nearly a third of the rural population have no employment even normally. It means that large numbers of adults are living on the labour of others. According to one estimate, there are 40 million people unemployed in India. This may be an over-estimate if it takes note only of the fully unemployed; it can only be an under-estimate if the inadequately employed also are included. Whatever it be, it is certain that a large part of the human and material resources of India are unemployed, and this must be the fundamental cause of the scanty production and meagre incomes. The remedy for this is more fully to employ the idle labour so that there may be more goods in the country, and to see that large shares of the goods come into the hands of the

working classes. Fuller employment is the only way to higher national income, which is the first step in raising living standards.

How can employment be increased? The method usually suggested is to transfer the superfluous rural workers to industry and thus bring about a more balanced economy. By rapid industrialization the Bombay Plan envisages a doubling of the national income in fifteen years. From the enhanced national income ample funds will be drawn for providing the whole country with the essential social services—education, public health, water supply, roads, housing, etc.

In the present circumstances of India a quickening of industrialization is indeed essential, not only as a means of strengthening the military defence of the country, but also for producing our essential requirements of ordinary finished goods for which external dependence is not advisable, for increasing our internal demand for our primary products, and not least for a rapid accumulation of taxable income, by which alone the much-desired expansion of social services in the country could be financed. In fact even for the improvement of Indian agriculture, a more rapid industrial development has become essential in many ways, and therefore there is no essential rivalry between the interests of agriculture and of industry.

But to expect that industrialization will cure unemployment is futile. An essential characteristic of modern power-driven industry is the meagre demand for labour which it creates. Mass production needs

much capital but little human labour. This is particularly true of industries involving complicated technical processes and requiring elaborate machinery. All our basic industries together may not require more than 100,000 labourers for some time to come. India needs a large quantity of fertilizers for its extensive agricultural acreage but the amount now required can be produced by employing about 2,000 workers. We may need only about 3 or 4 million workers to produce nearly all our present requirements of capital and consumption goods, and even this number will be much too superfluous if our production per man-hour attains anything like the American or even the Japanese level.

### INDUSTRIALIZATION AND UNEMPLOYMENT

So far, industrialization in India has only aggravated unemployment. Of the 15 million workers engaged in industry (1931 census) 13 millions pursue handicrafts. The advance of power-driven industry has robbed these handicrafts of their markets and of their employment. One example would suffice. Even before the war the mills had come to supply more than 60 per cent. of the cotton textiles required in the country, leaving to the handlooms only about 25 per cent. of the market (the remainder being supplied by imports). While the mills thus came to employ about 400,000 persons, unemployment has been the result to the 6 million persons engaged in the hand-weaving industry and utter misery to the 4 million women and children dependent on them. This, let us remember, happened

in spite of the active support of handicrafts by the most powerful political party in the country.

The Bombay Plan proposes to encourage small-scale industries also; if by "small scale" is meant handicrafts, considerable employment can be maintained, but wages cannot be adequate and sweating will be the result. The plight of hand spinners is well known. It is generally recognized that the use of hydro-electric power is desirable for enabling the worker to turn out a reasonable output. If this is done, and one cannot see how this can be prevented, the numbers now engaged in handicrafts would become altogether superfluous and there will be considerable unemployment. The substitution of power looms for hand looms has enabled the cottage worker to produce five times the output; but it has also caused widespread unemployment among hand weavers (e.g., the Bombay Province). The wide use of cheap electrical power will produce the same results all over the country and unemployment will become widespread. If at least the comparatively few workers now engaged in handicrafts cannot be maintained in industrial occupations, how can industry be expected to draw surplus labour from rural areas?

In spite of this, the Bombay Plan raises the hope that within fifteen years the proportion of people engaged in industrial occupations can be raised to 26 per cent. (i.e., more than doubled). I see no ground for sharing this optimism. Japan, which has been producing heavily for export, largely using small-scale methods too, could provide employment for only 15.5

per cent. of its workers in industry (including building). A highly industrialized country like the U.S.A. has only 27 per cent. of its workers engaged in industry. And India, where industry has to face serious obstacles, where hardly 2 per cent. of the total workers have so far found employment in organized industries, is expected to give industrial employment to 26 per cent. of its workers within a few years! This looks a little too ambitious, at any rate on the plan proposed.

If the chances of increasing employment in industry are so meagre, one wonders how the living standards envisaged in the Bombay Plan could be realized. It is true that several countries in Europe—not only the United Kingdom, but Sweden, Switzerland, Belgium, Denmark—have industrialized themselves on the basis of export markets and have thereby been able to obtain essential imports on favourable terms, thus raising their living standards. India, with her low technical skill and her serious deficiencies in regard to key raw materials and capital supplies, may not be able to pursue such a policy. In war-time India has had all its internal market and some external markets too, but when the high industrial potential developed in the West during war-time is switched on to peace-time production, imports may become available at such low prices that even our internal markets may become available at such low prices that even our internal markets may become difficult to maintain without raising sky-high thriff walls.

The expectation of some well-meaning persons is that by having a few big industries, national income



can be so raised as to provide large public funds for being spent on the social services needed for raising living standards. But they forget that without fuller employment and wide-spread purchasing power among the masses the industrialization they desire is not practicable in the conditions of India. A few industries may be started, some business men will make large profits, and a few more labourers may be employed. But the full employment and higher living standards envisaged in the plan will not materialize and wide-spread social discontent may be the result. The fact is that, in the peculiar conditions of India, industrialization cannot be successfully carried out by itself, but only as part of a comprehensive plan of economic development. In such a plan the improvement of the agriculturists' purchasing power and the provision of essential public utilities are integral parts.

### AGRICULTURE AND EMPLOYMENT

The raising of the living standards of agriculturists is of the utmost importance, because, as more than 70 per cent. of the population is connected with agriculture, only by raising their purchasing power can the extension of the internal market desired by Indian (as also Western) industrialists be carried out. The great majority of agriculturists are small cultivators or landless labourers. The lowness of agricultural incomes is not due merely to uneconomic holdings and unscientific methods, but also to the large slices of the produce going to the land-holder and the money-lender under the prevailing systems of tenure and

credit. For raising the agriculturists' incomes, therefore, a great deal of radical reform has to be carried out, reform which will affect vested interests of land-owners, money-lenders and a long chain of middlemen. This can only be carried out by a strong Government in whom the people have full confidence. It also calls for a long-period policy, if non-revolutionary methods are preferred. A plan for agricultural improvement has lately been devised by Government, and one hopes that it will be launched at an early date.

But the most successful efforts at agricultural improvement will not enable all the present rural workers to obtain full employment in agriculture. In fact, under a more scientific system of agriculture a smaller number of workers will be able to raise a much larger production than now, and therefore rural unemployment may only be aggravated by agricultural improvement. No modern economy can maintain as many as 72 per cent. of the workers in agriculture. In Soviet Russia, with much larger supplies of fertile virgin land to draw upon, agricultural employment has been maintained at a high level, but even there it has lately fallen.

There are, however, two avenues for increased employment in agricultural areas. For occupying agriculturists in their idle months and days and for supplementing their meagre incomes, subsidiary employment can be provided by a carefully planned system of small-scale industries, especially handicrafts, worked on a co-operative basis. Another large source of employment is in irrigation works, big and small,

which will be required all over the country if farming is to become less dependent on rainfall. No doubt some of the rivers have been dammed and their water is now available for agricultural use. But even now much the greater part of the rain water is wasted; by impounding such water in suitable reservoirs more lands can be brought under cultivation and more crops can be grown on existing land. The construction of such irrigation works would give large employment not only at the initial stages but subsequently for repairs and maintenance also. Irrigation is of basic importance, and it deserves a high priority in the plan.

All this may give employment to some more of the rural labourers; but, even so, more than 50 per cent. of the total number of workers may not find gainful occupation in agriculture. As shown above, the chances of industry absorbing any large numbers are not great. Where, then, should they turn for full employment?

### TERTIARY OCCUPATIONS

The answer to this has to be found in trade, transport, services and other tertiary occupations. This is the experience of the thickly populated countries of the West, where large proportions of the workers are employed in tertiary occupations. The proportion is as high as 50 per cent. in the United Kingdom and 47 per cent. in the U.S.A. (In advanced parts of the U.S.A.—e.g., California—the proportion is above 60 per cent.) It is also significant that while the proportions of workers engaged in agriculture and even industry have been steadily falling, the propor-

tion of those engaged in trade, transport and services has been increasing. Thus in Japan only 10 per cent. of the workers in 1872 were engaged in tertiary occupations, but by 1930 the proportion rose to 30 per cent. India's proportion of workers (1931) in tertiary occupations—i.e., 13 per cent.—is rather exaggerated owing to the inclusion of 2 million persons engaged in unproductive occupations and numerous married women who are wrongly returned as engaged in domestic service. The Bombay Plan proposes to raise the proportion to only 16 per cent. after fifteen years. There is, it appears to me, a serious lack of perspective in this. It is not possible to relieve rural unemployment in India without greatly increasing the number of workers engaged in trade, transport and the various services. Nor is this impracticable; in fact, in the conditions of India it is much easier to increase employment in trade and transport than in industry. As for services, no rise in living standards is possible without greatly increasing the number of persons providing the numerous services required for refined living. Strange as it may appear, while the Bombay Plan aims at raising the living standards of the masses, and makes provision for health agencies, schools, and various public amenities, it does not envisage any substantial increase in the number of persons supplying these services. How, then, does the Bombay Plan propose to raise living standards?

It is true that as the more refined social needs can be met only after a sufficient rise in incomes, the employment in services will only rise slowly, but this

is not true in regard to transport and trade, and the creation of the various public utilities required for industrial development as well as for improved living. The first step in the economic development of any country is to provide an efficient system of communications—roads, railways, airways—and to supply the various public utilities—electric power, water supply, housing—which are essential for industrial and agricultural improvement. These also provide large openings for employment, first in constructing them and later in their maintenance and upkeep. With the expansion of roads and railways the movement of goods and persons will increase, and the vehicles and other appurtenances required will give vast employment. In recent years a striking increase has taken place in the number of transport workers, but we have no accurate figures, as the occupational data of the 1941 census have not been worked up. With the expansion of transport, trade will increase, especially distributive trade. Markets will then become active, new shopping areas will spring up, banking and financial agencies will arise. A great increase in employment will result from all this, and the effects will be cumulative. Not only unskilled labourers but technicians of all kinds will be required, and intellectual workers for management and clerical work.

### ROADS AND HOUSING

The effects on employment of a road-making programme are tremendous, especially if the roads are made in rural areas. Even in U.S.A., where machinery



is used for road-making, it is found that 81 per cent. of the expenditure incurred on roads went to employment—29 per cent. on direct employment on the road and 52. per cent. on labour employed in producing and transporting materials for construction. Of course the position in India must be more favourable for employment, especially of unskilled workers. In this light the 450 crores road programme recently made in India cannot be regarded as extravagant; it may give a great fillip to economic improvement in many directions, especially if village communications are taken up.

An essential basis for the raising of living standards is the supply of clean and adequate house room. Thus an extensive programme of slum clearance and building construction can simultaneously secure two important objectives—namely, improvement of public health and higher living standards. It can also produce another important result—fuller employment. Building construction provides the largest employment in most civilized countries; it also leads to much secondary and tertiary employment, as it involves a great demand for goods like iron and steel, timber, bricks, pottery, water fittings, electrical goods, etc.

Any plan of economic development in India must therefore give an important place to irrigation works, roads, buildings and other structures, and public utilities generally. It is no wonder that in highly developed countries like the U.S.A. these items account for not less than a third of the total productive capital invested. Only by pursuing the same policy can India

carry out a stable economic development. There is no better road to full employment and higher living standards.

### A BALANCED OCCUPATIONAL STRUCTURE

If a plan of this kind can be pushed through, the present unbalanced occupational structure of India can be modified to suit a modernized economy, and the pathetic dependence on agriculture can be toned down by employing larger numbers in tertiary occupations. India's occupational structure at the end of the planning period may be somewhat as follows :

	<i>Pre-War.</i> ( <i>Per Cent.</i> )	<i>After 15 Years.</i> ( <i>Per Cent.</i> )
Agriculture	72	50
Industry	15	20
Trade, transport, services,	13	30
	<hr/> 100	<hr/> 100

The advance in industry looks small, because the present proportion of workers is rather exaggerated by the inclusion of the numerous under-employed craftsmen, but with a change in the technique, production can treble or even quintuple without any great addition to the proportion of workers engaged in industry. If by fuller employment on the plan sketched above living standards rise rapidly, the pace of industrial development can be greatly quickened and the proportion of workers in industry will increase.

## A FOUR-PRONGED DRIVE

Our plan must make provision for simultaneous advance in many directions. Without going into detail, a four-pronged drive somewhat on the following lines may be suggested :

- (1) *Basic industries*—especially machine tools, agricultural implements, basic chemicals, hydro-electric works, etc.
- (2) *Industries and activities for raising economic equipment*—irrigation works, roads, railways, waterways, slum clearance, building construction, etc.
- (3) *Agricultural improvement*, especially such activity as would lead to the enhancement of rural purchasing power.
- (4) *Consumption goods industries*, mostly to be pursued on small-scale without the use of elaborate machinery.

The crux of the planning problem is priorities. Our capital resources are limited, and as financial jugglery will not ultimately pay, we have to make careful use of our resources and must carry out our development without impinging too much on current consumption. The prime consideration must be the addition to employment and purchasing power, because only by fully employing more and more of the population could living standards be raised and thus only could stable foundations for any rapid industrial advance be laid.

In this light the allotment of funds proposed in the Bombay Plan calls for considerable modification. For instance, in the first-year period 35 per cent. of the total amount (i.e., Rs. 480 crores) is to be spent on basic industries. But very little of it would go into the hands of the working classes. On the other hand, the provision made for items mentioned under (2) above is meagre. It is too small having regard to their great importance in adding to economic equipment and providing essential employment, especially during a period in which depression and unemployment are likely to arise. The success of the plan depends on wise investment, both in the public sector and in the private. There will be demands for investment in many directions, but our resources being limited the available supply will have to be distributed among the alternative channels, keeping in view the central objective of expanding mass purchasing power and rising living standards.

What has been said above applies not only to long-priced plan but to the tackling of the economic maladjustments that may arise immediately after the war, when the large expenditure now incurred for war purposes will be more than halved rather abruptly. If at that juncture adequate private outlay will come forth to replace war expenditure, there may not be much trouble. As this is not likely, the State will have to carry out schemes of investment on essential public works which have been held up during war-time, selecting in particular such works as will give the maximum employment and add to essential economic

equipment. This is a most urgent problem, and it is hoped that this will be properly attended to. The maintenance of rural purchasing power by preventing a post-war slump in the prices of primary products is another matter calling for urgent action. Only if the transition from war to peace is carefully carried out could the long-term plan be safely initiated at an early date.

### CONCLUSION

I shall now recapitulate. The raising of living standards should be the central objective of any long-period plan, and this can only be secured by fuller employment of the labour and natural resources now lying idle. While industrial development and agricultural improvement are both essential, neither of them will give adequate employment to India's unemployed millions. No doubt small-scale methods will give some extra employment, and this seems reasonable if pursued without unduly impairing efficiency, but the only proper solution is the diversion of a much larger number of labourers to transport, trade and services which in advanced countries form the sheet anchor of full employment. With this aim in view a comprehensive plan of national development must be launched, with special emphasis on public utilities. This will provide vast employment, and will also pave the way for a rise in living standards. Then can industrialization step forward and absorb large numbers of labourers. Not only will this increase the economic welfare of India's teeming millions, but external trade



will greatly expand and India will be able to take her proper place in world economy.

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